

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (this "Agreement"), is made and entered into as of October 26th, 2012 by and among LEONARDO CORPORATION, a New Hampshire Corporation ("Leonardo"), ANDREA ROSSI ("Rossi"), AMPENERGO, INC., an Ohio corporation ("AEG"), and INDUSTRIAL HEAT, LLC, a Delaware limited liability company (the "Company"). Each of Leonardo, Rossi, AEG and the Company are referred to herein as a "Party" and collectively as the "Parties."

WHEREAS, Leonardo and/or Rossi are the sole owners of the patents, designs, trade secrets, technology, know-how (including all the knowledge necessary to produce thermal energy by means of apparatuses derived from the technology), products and business plans and all other intellectual property related directly or indirectly to energy production and conversion technologies and to the development, manufacture and sale of products using such technologies, including the Energy Catalyzer ("E-Cat") the catalyzer formula used to fuel the E-Cat, the "Hot Cat" and related energy production and conversion technologies (collectively, the "E-Cat IP"), and Leonardo is the producer of certain components of such systems (the "E-Cat Products"), as to which all such E-Cat IP and E-Cat Products, including, without limitation, the 1 MW E-Cat Product and the Hot Cat, are described in further detail on Exhibit A hereof, and

WHEREAS, Leonardo, Rossi and AEG entered into an agreement dated April 7, 2011, a copy of which is attached hereto as Exhibit B (the "AEG Agreement"), pursuant to which Leonardo and Rossi agreed to grant to AEG the exclusive right to "commercially market, sell the ECAT Technologies and License of manufacturing in the Americas" for the term set forth therein, and

WHEREAS, Leonardo, Rossi and AEG desire to grant to the Company an exclusive license to utilize the E-Cat IP and to manufacture and sell the E-Cat Products in the Territory as set forth herein, and

WHEREAS, Leonardo and Rossi desire to grant to the Company a right of first offer to acquire any license for E-Cat IP and E-Cat Products outside the Territory that Leonardo or Rossi may elect to offer, subject to certain terms and conditions, should Leonardo and/or Rossi decide to sell any such assets;

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Grant of License and Sale of 1MW E-CAT Unit

Subject to the terms and conditions of this Agreement, Leonardo and Rossi hereby grant to the Company the exclusive right and license under the Patents and other E-Cat IP to develop, manufacture, make, have made, use, have used, offer to sell, have offered for sale, sell, have sold, import, and have imported all the products deriving from the E-Cat IP in the Territory (the "License"). The License specifically does not include any military applications in Italy. Leonardo and Rossi further grant to the Company the right to grant sublicenses of any of its rights under this Agreement. The

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granting of sublicenses shall be at the Company's sole and exclusive discretion and the Company shall have the sole and exclusive power to determine the identity of any sublicensee, the applicable license fees or royalty rates, if any, and other terms and conditions of the sublicense.

1.1 This Agreement shall commence as of the date hereof and, unless earlier terminated in accordance with the terms hereof, will remain in effect for the period of the License. The License shall commence on the date provided in Section 3.2(b) below and shall remain in force for the following term:

- as for the Licensed Patents, on a country-by-country basis until the expiration of the last Valid Claim to expire of the Licensed Patent covering such country; and
- as for all other E-Cat IP, the duration will be unlimited.

1.2 On the terms set forth herein, Leonardo will manufacture and sell and deliver to the Company a IMW E-CAT Unit, or at the election of the Company, a "Hot Cat" Unit, each as described in Exhibit C (such unit as is elected by the Company is hereafter referred to as the "Plant").

1.3 At the expiration of the last patent to expire under the Licensed Patents in any country in the Territory, provided the Company is not at that time in breach of this Agreement, the Company shall continue to have a completely paid-up, royalty-free right and license to subsequently develop, manufacture, make, have made, use, have used, offer to sell, have offered for sale, sell, have sold, import, and have imported all the products deriving from the E-Cat IP in that country.

2. Territory

This License is valid for the following territories (the "Territory"):

- North America, Central America and Caribbean, South America
- China
- Russia
- Saudi Arabia
- Arabian Emirates

3. Price and Payments

3.1 The total price for the grant of the License and the purchase of the Plant is One Hundred Million Five Hundred Thousand Dollars (\$100,500,000).

3.2 The payment terms will be as follows:

- (a) Upon execution of this Agreement, the Company will pay to Leonardo One Million Five Hundred Thousand Dollars (\$1,500,000), which amount shall be deemed to include payment in full for the Plant. In the event the Plant is not delivered or Validation is not achieved within the time period set forth in Section 4, the full \$1,500,000 will be refunded to the Company within two business days of its request. A refund of the \$1,500,000 will not be provided for any other reason and no other refund will be provided for any reason. In the event the \$1,500,000 is refunded, the Plant will remain the property of Leonardo. The Plant must be

available for Validation and delivery within ~~120 Business Days~~ following the date of this Agreement and will be delivered to the location specified by the Company, at Leonardo's expense, within thirty Business Days following Validation. Concurrently with delivery of the Plant, Leonardo will execute and deliver a customary bill of sale providing for a lien free sale and transfer of the Plant to the Company.

- (b) Provided that such date is at least ~~120 Business Days~~ following the date of this Agreement (unless otherwise agreed by the Company), within five Business Days following (a) notification to the Company that the Plant is complete and ready for Validation, and (b) satisfaction of the Conditions Precedent, the Company will deliver Ten Million Dollars (\$10,000,000) to TD Bank, at its office in Miami Beach, Florida, USA (or another bank agreed upon by Leonardo and the Company), to be held in escrow pursuant to an escrow agreement acceptable to Leonardo and the Company. Such escrow agent (the "Escrow Agent") shall pay the \$10,000,000 to Leonardo immediately after (i) Validation is achieved as p Section 4 hereof, and (ii) the E-Cat IP has been validated and is an immediate delivery to the Company in accordance with the procedures e Schedule 3.2(b) attached hereto. The escrow agreement will include e provisions authorizing such payment in compliance with the preceding On the date the Escrow Agent pays the \$10,000,000 to Leonardo, the L commence and Leonardo and Rossi will immediately transfer, and the Agent (as defined in Schedule 3.2(b)) will deliver, to the Company all E Validation is not achieved within the time period set forth in Section 4 or the E-Cat IP is not validated in accordance with the procedure set forth on Schedule 3.2(b), the Company may instruct the Escrow Agent to return the \$10,000,000 to the Company and may terminate this Agreement and be released from any liability hereunder.
- (c) Within five business days following 350 days of operation of the Plant during which the Guaranteed Performance has been achieved as required by Section 5 below, the Company will pay to Leonardo Eighty Nine Million Dollars (\$89,000,000); provided, however, that if, prior thereto (i) any Person has entered the market with a product that infringes the E-Cat IP, or (ii) any product of the Company that utilizes the E-Cat IP infringes the patent or other intellectual property rights of any third-party, at the election of the Company, the Company will pay to Leonardo, in lieu of the foregoing \$89,000,000 payment, within five business days following 350 days of operation of the Plant during which the Guaranteed Performance has been achieved as required by Section 5 below, Forty-four Million Five Hundred Thousand Dollars (\$44,500,000) and Leonardo will be entitled to receive a five percent (5%) royalty on net sales by the Company of E-Cat Products or energy produced by E-Cat Products, payable annually on each January 31 with respect to the previous 12 months ended December 31, until aggregate compensation paid to Leonardo pursuant to this Agreement equals \$1 billion. Any royalty payments made in accordance with the foregoing sentence will be accompanied by supporting financial information generated by the Company in the ordinary course of its business.
- (d) All payments due hereunder shall be made in immediately available funds in accordance with wire transfer instructions to be provided by the party entitled to receive payment.

4. Validation of the Plant

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Retention by Leonardo of the \$1,500,000 component of the purchase price and payment of the \$10,000,000 described in Section 3.2(b) above are subject to successful Validation of the Plant. The Validation will be made in the factory of Leonardo within 120 Business Days following the date of this Agreement on a date mutually agreed to by the Company and Leonardo. "Validation" will be deemed successful and achieved when the expert responsible for such validation (ERV) certifies in writing that during a 24 hour test period the Plant consistently produces energy that is at least six times greater than the energy consumed by the Plant (the "Energy Multiple") and the temperature of the steam produced by the Plant is consistently 100 degrees Celsius or greater. To make this measurement the ERV will measure the flow of the heated fluid and the Delta T between the temperature of the fluid before and after the E-CAT reaction. The ERV will be chosen by mutual agreement between Leonardo and the Company and Leonardo and the Company shall bear the ERV's costs fifty-fifty. At their respective elections, the Company and Leonardo may have representatives present to observe the Validation process and discuss the testing and its results with the ERV.

5. Guaranteed Performance.

Payment of the amount set forth in Section 3(c) above is contingent upon the Plant operating at the same level (or better) at which Validation was achieved for a period of 350 days (even if not consecutive) within a 400 day period commencing on the date immediately following delivery of the Plant to the Company ("Guaranteed Performance"). Each of Leonardo and Rossi will use their commercially reasonably best efforts to cause Guaranteed Performance to be achieved, including making repairs, adjustments and alterations to the Plant as needed to achieve Guaranteed Performance. The ERV (or another party acceptable to the Company and Leonardo) will be engaged to confirm in writing the Guaranteed Performance. Guaranteed Performance will not be deemed achieved unless such written confirmation is received or waived by the Company. In the event Guaranteed Performance is not achieved within the time period set forth in this Section (as such time period may be extended by the Company in its sole discretion), but the ERV confirms that during such time period the Plant consistently produced energy that is at least four times greater than the energy consumed by the Plant and that the temperature of the steam produced by the Plant was consistently 100 degrees Celsius or greater, then the amount payable by the Company pursuant to Section 3(c) above shall be reduced in proportion to the reduction in the Energy Multiple, and the total purchase price set forth in Section 3.1 shall be reduced accordingly. If neither the foregoing standard nor Guaranteed Performance is achieved, the Company shall not be required to pay any amount pursuant to Section 3(c) above and the total purchase price set forth in Section 3.1 shall be reduced accordingly.

6. Conditions Precedent

The Company's obligation to pay the \$10,000,000 described in Section 3.2(b) above is subject to satisfaction of the following conditions (the "Conditions Precedent") as determined by the Company based upon commercially reasonable standards, or the waiver of any one or more of such conditions by the Company in its sole discretion:

- (a) Receipt of evidence that all E-Cat IP is owned by Leonardo and/or Rossi.

- (b) Receipt of evidence of the corporate authority of Leonardo to enter into this Agreement and perform its obligations hereunder.
- (c) Confirmation that the representations and warranties of Leonardo and Rossi set forth herein are true and correct.
- (d) All representations and warranties of Leonardo and Rossi shall be true and correct as if made on and as of the date of payment of the \$10,000,000 and Leonardo and Rossi shall have delivered to the Company written certification that the representations and warranties of Leonardo and Rossi set forth herein are true and correct as of the date payment is made.

Leonardo and Rossi agree to provide the Company with such information and documentation as it may reasonably request to satisfy the Conditions Precedent. In the event the Conditions Precedent are not satisfied on or prior to the date that is 60 Business Days following the date of this Agreement, the Company will be entitled to suspend its obligations hereunder until such Conditions Precedent are satisfied or waived by the Company or to terminate this Agreement and be released from any liability hereunder; provided, however, that if the Condition Precedent set forth in Section 6(e) above is not satisfied within such 60 Business Day period, the Company will either waive the condition and proceed as otherwise set forth herein or terminate this Agreement.

7. Patent Prosecution and Maintenance

7.1 For each patent application and patent under the Licensed Patents, Leonardo shall:

- (a) prepare, file and prosecute such patent application;
- (b) maintain such patent;
- (c) pay all fees and expenses associated with its activities pursuant to Sections 7.1(a) and (b) above;
- (d) keep the Company currently informed of the filing and progress in all material aspects of the prosecution of such patent application, and the issuance of patents from any such patent application;
- (e) consult with the Company concerning any decisions which could affect the scope or enforcement of any issued claims or the potential abandonment of such patent application or patent; and
- (f) notify the Company in writing of any additions, deletions or changes in the status of such patent or patent application.

The Company, at its election and at its expense, may participate in patent prosecution and maintenance as set forth above to the extent it deems necessary or desirable.

7.2 If Leonardo wishes to abandon any patent application or patent that is a Licensed Patent, it shall give the Company ninety (90) days prior written notice of the desired abandonment. Leonardo shall not abandon any such Licensed Patent except upon the prior written consent of the Company. On the Company's request, which may be provided at any time after the notice of desired abandonment, Leonardo shall assign to the Company any such patent application and patent Leonardo wishes to abandon.

Effective as of the effective date of such assignment, such patent application and patent shall no longer be a Licensed Patent.

8. Third-Party Infringement.

8.1 A Party receiving notice of alleged infringement of any Licensed Patent in the Territory, or having a declaratory judgment action alleging invalidity or noninfringement of any Licensed Patent in the Territory brought against it, shall promptly provide written notice to the other Parties of the alleged infringement or declaratory judgment action, as applicable.

8.2 Leonardo shall bring suit or defend a declaratory judgment action and control the conduct thereof, including settlement, to stop infringement of any Licensed Patent; provided, however, that Leonardo shall only be required to take such action after (i) notification from the Company advising that it believes such action to be necessary or advisable, and (ii) only as and to the extent deemed to be appropriate by an independent patent attorney selected by Leonardo. Leonardo may force the Company to become a party to the suit or action only if a court of competent jurisdiction determines the Company is an indispensable party to the suit. Leonardo shall (a) hold the Company free, clear and harmless from any and all costs and expenses of the suit, including reasonable attorneys' fees, and (b) compensate the Company for the reasonable time and expenses of the Company's employees for any required assistance or testimony of the Company's members, managers, officers, and employees in connection with the suit. The Company may voluntarily initiate or participate in any suit or defense of a declaratory judgment at the Company's election and at its expense as the Company may deem appropriate to enforce or protect its rights or interests under this Agreement.

9. **Regulatory Clearance.** Leonardo, Rossi, and AEG, each to the extent requested by the Company, shall reasonably cooperate with the Company in obtaining any clearances or licenses from governmental agencies or regulatory authorities to own, possess, make, operate, sell, or export the E-Cat IP or the E-Cat Products.

10. **Recordation of License.** Upon the request of the Company, Leonardo and Rossi shall assign to the Company the Licensed Patents with respect to the Territory or, if so requested by the Company, record this Agreement (or a memorandum hereof, or similar document) as permitted or required by the laws of countries in the Territory, and any recordation fees and related costs and expenses shall be paid by Company.

11. Mutual Representations and Warranties.

Each Party hereby represents and warrants to the other party that:

- (a) it is duly organized, validly existing and in good standing as a corporation or other entity as represented herein under the laws and regulations of its jurisdiction of incorporation or organization;
- (b) it has, and throughout the term of the License shall retain, the full right, power and authority to enter into this Agreement and to perform its obligations hereunder;

- (c) the execution of this Agreement by its representative whose signature is set forth at the end hereof has been duly authorized by all necessary corporate or limited liability company action of the Party; and
- (d) when executed and delivered by such Party, this Agreement shall constitute the legal, valid and binding obligation of that Party, enforceable in accordance with its terms.

12. Representations and Warranties of Leonardo and Rossi.

Leonardo and Rossi, jointly and severally, each hereby represents and warrants to the Company that:

- (a) Leonardo and/or Rossi are the sole and exclusive legal and beneficial owners of the entire right, title, and interest in and to the E-Cat IP and are the record owners of all patent applications and issued patents that are Licensed Patents, have good and valid record and marketable title to the E-Cat IP, have not licensed the E-Cat IP to any other party and are under no express or implied obligation to any third party that would restrict, limit, or in any manner effect the ability to license the rights to the E-Cat IP, and have and throughout the Term will retain the full, unconditional and irrevocable right, power and authority to license the E-Cat IP as provided herein, free and clear of any Liens.
- (b) The patents and patent applications identified on Exhibit A and all other E-Cat IP, all of which is to be delivered to the Company in accordance with Section 3.2(b), are owned by Leonardo and/or Rossi and are all the patents and patent applications and other intellectual property that are necessary or useful for the Company to develop, manufacture, make, have made, use, have used, offer to sell, have offered for sale, sell, have sold, import, and have imported all the products deriving from the E-Cat IP in the Territory.
- (c) A list of all agreements in any way related to the E-Cat IP or the E-Cat Products, including any and all sales or licensing agreements, is set forth on Exhibit D attached hereto. Complete copies of all such agreements have been delivered to the Company.
- (d) Neither Leonardo nor Rossi has granted, and neither of them will grant, any licenses or other contingent or non-contingent right, title or interest under or relating to the Licensed Patents or other E-Cat IP, including any such license, right, title or interest that permits or would permit any party to manufacture, sell, or distribute E-Cat Products in the Territory or use the E-Cat IP in the Territory, or is or will be under any obligation, that does or will conflict with or otherwise affect this Agreement, including any of Leonardo or Rossi's representations, warranties or obligations hereunder or the Company's rights or license hereunder. The Company is aware of the AEG Agreement.
- (e) There neither are, nor at any time during the term of the License will be, any encumbrances, liens or security interests created or permitted by Leonardo or Rossi involving any Licensed Patents or the other E-Cat IP.

- (f) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby does not (i) result in the imposition of any Lien under, cause the acceleration of any obligation under, or violate or conflict with the terms, conditions or provisions of any contracts or other agreements to which Leonardo or Rossi is a party or by which either of them is bound, (ii) result in a breach or violation as of the date of this Agreement by Leonardo or Rossi of any of the terms, conditions or provisions of any Law or Order, or (iii) require the provision of any payment or other consideration to any third party by Leonardo or Rossi, other than pursuant to the AEG Agreement.
- (g) To the knowledge of Leonardo and Rossi, none of the E-Cat IP infringes upon the rights of any other Person nor has the E-Cat IP been infringed upon by any other Person and there is no prior art or other information that would adversely affect the validity, enforceability, term or scope of any Licensed Patent. All rights in the E-Cat IP are valid and in full force and effect and no approval or consent of any Person is needed for the interest of the Company in the rights in the E-Cat IP to continue to be in full force and effect following the date hereof and the transactions contemplated by this Agreement. Leonardo has not taken any action or omitted to take any action which would adversely affect the validity of the rights in the E-Cat IP.
- (h) The AEG Agreement does not in any way restrict or inhibit the ability of Leonardo to grant the License as provided herein.
- (i) There is no Action or Proceeding or Order pending or, to the knowledge of Leonardo or Rossi, threatened against Leonardo or Rossi which relates to or could impact the E-Cat IP, or to which Leonardo or Rossi is subject or by which any of their assets are bound. There is no settled, pending or threatened litigation or re-examination, post-grant or *inter partes* review, interference, derivation, opposition, claim of invalidity or other claim or proceeding (including in the form of any offer to obtain a license): (i) alleging the invalidity, misuse, unregistrability, unenforceability or noninfringement of any Licensed Patent; (ii) challenging the ownership of, or right to practice or license, any Licensed Patent, or alleging any right, title or interest with respect thereto; or (iii) alleging that the practice of any Licensed Patent or the making, using, offering to sell, sale or importation of any E-Cat Product in the Territory does or would infringe, misappropriate or otherwise violate any patent, trade secret or other intellectual property of any third party. Neither Leonardo nor Rossi has any knowledge, after reasonable investigation, of any factual, legal or other reasonable basis for any litigation, claim or proceeding described in this paragraph.
- (j) Each of Leonardo and Rossi has filed within the time prescribed by law or regulations all tax returns or reports, and has paid all taxes required by any jurisdiction or subdivision or agency thereof, in each case attributable to periods on or prior to the execution of this Agreement, with respect to and to the extent of its ownership and/or use of the E-Cat IP.

- (k) Leonardo is not in violation of any Law or Order to which the E-Cat IP is subject.
- (l) The cost to produce the Plant that will be delivered to the Company pursuant to this Agreement, assuming high scale production volumes, will not exceed \$100/kW and the maximum cost to fuel the Plant on the date hereof is \$10 per 10kW of output.
- (m) All of the books and records and other documents to be delivered to the Company pursuant to this Agreement will be true, correct and complete in all material respects.
- (n) None of Leonardo, Rossi or any other shareholder, director, officer or employee of Leonardo (i) is a Person appearing on the Specially Designated Nationals and Blocked Persons List of the Office of Foreign Assets Control in the United States Department of the Treasury, (ii) is any other Person with whom a transaction is prohibited by applicable provisions of the USA PATRIOT Act, the Trading with the Enemy Act or the foreign asset control regulations of the United States Treasury Department, in each case as amended and in effect from time to time, (iii) is controlled by any Person described in the foregoing items (i) or (ii), with ownership of 20% or more of outstanding voting securities being presumptively a control position for purposes of this clause, and (iv) has its principal place of business located in any country described in the foregoing item (ii). Further, neither Leonardo nor Rossi has entered into any written or oral agreements relating in any way to the E-Cat Products or the E-Cat IP with any Person described in (i), (ii), (iii) or (iv) of the foregoing sentence.

13. Covenants and Agreements.

- 13.1 Services by Rossi. In consideration of the payments set forth herein, Rossi will provide ongoing training and support to the Company in the use of the Plant and the production of the E-Cat Products for a period of not less than twelve months following Validation, as and to the extent reasonably requested by the Company to enable it to utilize the E-Cat IP, operate the Plant and produce the E-Cat Products. Further, Rossi and the Company currently contemplate that the Company will engage Rossi as its chief scientist pursuant to a separate agreement to be entered into following Validation, in which event the services contemplated by the preceding sentence will be rendered pursuant to such engagement.
- 13.2 Right of First Offer. Leonardo and Rossi each hereby agrees that, should either of them desire at any time to license the E-CAT IP or the manufacture or distribution of E-Cat Products in any territory outside the Territory covered by this Agreement, they will first notify the Company and the Company will have a period of thirty (30) days to make an offer to purchase such license. In the event the Company makes such offer and Leonardo or Rossi does not accept it, Leonardo or Rossi may grant such license to another party only if the price paid by such party is at least 90% of the price offered by the Company and the other terms and conditions of the agreement are no less favorable to

Leonardo or Rossi than the terms proposed by the Company. In the event either of Leonardo or Rossi desires to enter into an agreement that does not satisfy the requirements set forth in the foregoing sentence, they must first offer the same agreement to the Company and the Company will have thirty days to accept or reject it. If the Company rejects it, Leonardo or Rossi may enter into that agreement with another party at any time during the following sixty (60) days, and, if they fail to do so, they must again provide the Company with the right of first offer before entering into a licensing agreement with any other party. Any licensing agreement entered into by Leonardo or Rossi regarding the E-CAT IP or the manufacture or distribution of E-Cat Products must include a provision prohibiting the manufacture, sale or distribution of E-Cat Products, and the use of the E-Cat IP, in the Territory.

- 13.3 **Covenant Not to Compete.** For as long as the Company or any of its subsidiaries is engaged in any business related to the E-Cat Products and Leonardo, Rossi or any Affiliate of Leonardo own any of the Company's equity ownership interests or Leonardo, Rossi or any Affiliate are performing services for the Company or such transferee (whether as an employee, consultant or otherwise and specifically including the period of services required by Section 13.1) and for an additional period of two (2) years after the last of Leonardo, Rossi or such Affiliate shall have ceased to provide such services, none of Leonardo, Rossi or any of their Affiliates will (except as an officer, director, stockholder, employee, agent or consultant of the Company or such subsidiary of the Company) directly or indirectly own, manage, operate, join, or have a financial interest in, control or participate in the ownership, management, operation or control of, or be employed or engaged as an employee, agent or consultant, or in any other individual or representative capacity whatsoever, or use or permit their names to be used in connection with, or be otherwise connected in any manner with any business or enterprise (a) engaged in the design, development, manufacture, distribution, lease, rental or sale of any E-Cat Products, or the provision of any services related thereto or (b) which is competitive with the E-Cat Products, unless Leonardo or such Affiliate shall have obtained the prior written consent of the Company or such subsidiary of the Company, as the case may be. In the event of termination of this Agreement due to a breach by the Company, the Company and all its affiliates, employees, officers, directors, for two (2) years after the period of effectiveness of this agreement, will not be allowed to work for a competitor of Leonardo in the licensing or sale of products competing with the E-Cat Products.

- 13.4 **After Acquired/Developed Assets, Intellectual Property Rights.** Leonardo and Rossi hereby agree that from and after the date hereof, any and all inventions, discoveries, concepts, ideas, information and anything else that Leonardo, Rossi or any of their Affiliates makes or develops which relate to the E-Cat IP or are useful in the business or activities in which the Company is or may become engaged, including without limitation, enhancements, improvements, alternations, additions, deviations, changes, variations, as well as all derivative works based on the E-Cat IP and any item or product embodying the E-Cat IP and all applications, names, titles, characters, symbols, designs, copyrights, patents, trademarks, artwork, and elements

embodied in, derived from or related thereto and any other product, service, presentation, ancillary work or commercial endeavor including, without limitation, as represented in any and all media, and all third-party products using or incorporating the E-Cat IP and all embodiments of the foregoing (collectively, the "After Acquired/Developed Assets") shall be and shall remain within the scope of the definition of E-Cat IP and shall be included in the License. Leonardo and Rossi each hereby agrees to, and agrees to cause its Affiliates to, promptly assign, transfer and convey to Leonardo any and all right, title and interest in and to any such After Acquired/Developed Assets and intellectual property rights therein if such rights are not owned by Leonardo and to execute any and all intellectual property applications and instruments of conveyance and other documents, and to take all other steps necessary to vest Leonardo with the entire right, title and interest in and to the After Acquired/Developed Assets free and clear of all Liens. Further, it is acknowledged and agreed that, from and after the date the License commences, any and all inventions, discoveries, concepts, ideas, information and anything else that the Company, its sublicensees, or any of their affiliates, makes or develops which relate to the E-Cat IP or are useful in the business or activities in which the Company is or may become engaged, including without limitation, enhancements, improvements, alternations, additions, deviations, changes, variations, as well as all derivative works based on the E-Cat IP and any item or product embodying the E-Cat IP and all applications, names, titles, characters, symbols, designs, copyrights, patents, trademarks, artwork, and elements embodied in, derived from or related thereto and any other product, service, presentation, ancillary work or commercial endeavor including, without limitation, as represented in any and all media, and all embodiments of the foregoing shall be and shall remain the property of the Company (or such sublicensee or affiliate if so agreed by the Company).

- 13.5 **Tax Matters.** The Parties shall file all necessary documentation and returns with respect to any applicable sales, use, transfer, real property transfer, recording, gains, stock transfer and other similar taxes and fees pertaining to the respective revenues derived by the Parties in respect of the E-Cat IP (such taxes and fees, including any interest or penalties thereon, are herein sometimes called "E-Cat Taxes"). The Parties agree to defend and hold harmless each other Party from and against any Governmental or Regulatory Body action against one Party with respect to E-Cat Taxes payable by such Party and arising out of or in connection with the transactions effected pursuant to this Agreement. Each Party further agree to defend and hold harmless each other Party with respect to any additional E-Cat Taxes imposed by reason of any payment made by an indemnifying Party under this Section.

14. Indemnification.

- 15.1 Leonardo and Rossi shall indemnify, defend and hold harmless the Company and its members, managers, officers, directors, employees, agents, successors, assigns, and sublicensees (each, a "Company Indemnatee") against all losses arising out of or resulting from any third party claim, suit, action or proceeding related to, arising out of or resulting from any breach by Leonardo or Rossi of any representation, warranty, covenant or obligation of Leonardo


or Rossi under this Agreement. The Company shall indemnify, defend and hold harmless Leonardo and Rossi, and their respective members, managers, officers, directors, employees, agents, successors, assigns and sublicensees (each a "Leonardo Indemnitee") against all losses arising out of or resulting from any third party claim, suit, action or proceeding related to, arising out of or resulting from any breach by the Company of any representation, warranty, covenant or obligation of the Company under this Agreement.

15.2 [Intentionally omitted]


15.3 The Company Indemnitee or the Leonardo Indemnitee, as the case may be, shall promptly notify in writing each Party responsible for indemnification of any claim subject to indemnification hereunder and cooperate with each indemnifying Party at such indemnifying Party's sole cost and expense. Each Party responsible for indemnification shall immediately take control of the defense and investigation of the claim and shall employ counsel reasonably acceptable to the Company Indemnitee or the Leonardo Indemnitee, as the case may be, to handle the defense of the same, at the sole cost and expense of the indemnifying Party or Parties. An indemnifying Party shall not settle any claim in a manner that adversely affects the rights of the indemnified Party without the indemnified Party's prior written consent, which shall not be unreasonably withheld or delayed. The failure of the Company Indemnitee or the Leonardo Indemnitee, as the case may be, to perform any obligations under this Section 15.3 shall not relieve any indemnifying Party of its obligation under this Section 15.3, except to the extent that the indemnifying Party can demonstrate that it has been materially prejudiced as a result of the failure. The Company Indemnitee or the Leonardo Indemnitee, as the case may be, may participate in and observe any proceedings that are the subject of this paragraph at such Party's own cost and expense with counsel of its choosing.


16. Miscellaneous.

16.1 **Certain Definitions.** As used in this Agreement, the following terms have the following meanings unless the context otherwise requires:

 "**Action or Proceeding**" means any action, suit, proceeding or arbitration by any Person, or any investigation or audit by any Governmental or Regulatory Body.

"**AEG Agreement**" has the meaning set forth in the recitals to this Agreement.

 "**Affiliate**" means with respect to any Person, any other person controlling, controlled by or under common control with such first Person, and with respect to any natural Person, includes such Person's spouse and other relatives by blood or marriage.

 "**Agreement**" means this License Agreement.

"Business Day" means any day other than a day on which commercial banks in New York, New York are authorized or required by law to close.

"Company" has the meaning set forth in the recitals to this Agreement.

"Conditions Precedent" has the meaning set forth in Section 6 of this Agreement.

"E-Cat" has the meaning set forth in the recitals to this Agreement.

"E-Cat IP" has the meaning set forth in the recitals to this Agreement, and shall include all documents, manuals, technical data, formulae, and other items and materials necessary or useful to enable the Company to (i) operate the IMW E-Cat Unit, (ii) make E-Cat Products, and (iii) exploit the E-Cat IP as contemplated by this Agreement.

"E-Cat Products" has the meaning set forth in the recitals to this Agreement.

"Governmental or Regulatory Body" means any court, tribunal, arbitrator or any government or political subdivision thereof, whether federal, state, county, local or foreign, or any agency, authority, official or instrumentality of any such government or political subdivision.

"Law" means any law, statute, rule, regulation, ordinance and other pronouncement having the effect of law of the United States of America, any foreign country or any domestic or foreign state, country, city or other political subdivision or of any Governmental or Regulatory Body.

"Licensed Patents" means the patents, patent applications, and patents pending designated as "Licensed Patents" on Exhibit A attached hereto, all patents issued from such patent applications and all continuations, continuations-in-part, divisions, extensions, substitutions, reissues, re-examinations and renewals of any of the foregoing, and any patents in the Territory issuing from any applications filed after the date of this Agreement that claim priority from any of the patents or patent applications designated as "Licensed Patents" on Exhibit A or from which any of the patents or patent applications designated as "Licensed Patents" on Exhibit A claim priority.

"Lien" means any lien, pledge, hypothecation, mortgage, security interest, claim, lease, charge, option, right of first refusal, easement, servitude, transfer restriction under any instrument, agreement, encumbrance or any other restriction or limitation of any nature or kind whatsoever.

"Order" means any writ, judgment, decree, injunction or similar order of any Governmental or Regulatory Body; in each case whether preliminary or final.

"Person" means any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental or Regulatory Body or other entity.

"Plant" has the meaning set forth in Section 1.2 of this Agreement.

"Tax" and "Taxes" means all taxes or other assessments imposed by any federal, state or local taxing authority, including income, excise, property, sales, use, ad valorem, and franchise taxes other than E-Cat Taxes.

"Valid Claim" means, on a country-by-country basis, a claim of an unexpired issued or granted Licensed Patent so long as the claim has not been admitted by Leonardo or otherwise caused to be invalid or unenforceable through reissue, disclaimer or otherwise, or held invalid or unenforceable by a tribunal or governmental agency of competent jurisdiction from whose judgment no appeal is allowed or timely taken.

"Validation" has the meaning set forth in Section 4 of this Agreement.

"Watts", "kW", "MW", "GW": It is intended that in this Agreement Watts are always Thermal Watts, not Electric Watts.

- 16.2 **Expenses.** Except as otherwise expressly provided herein, whether or not the transactions contemplated by this Agreement shall be consummated, each of the parties hereto shall pay its own expenses (including, without limitation, attorney's and accountants' fees and out-of-pocket expenses) incident to this Agreement and the transactions contemplated hereby.
- 16.3 **Notices.** All notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing and shall be given personally, sent by facsimile transmission or sent by prepaid air courier or certified registered mail, postage prepaid. Any such notice shall be deemed to have been given (a) when received, if delivered in person, sent by facsimile transmission and, in the case of facsimile, confirmed in writing within three (3) Business Days thereafter, or sent by prepaid Federal Express or other generally recognized prepaid air courier or (b) three (3) Business Days following the mailing thereof, if mailed by registered or certified first class mail, postage prepaid, return receipt requested, in each such case to the respective address as set forth on the signature page hereto (or to such other address or addresses as a party may have advised the other). A copy of all notices shall also be sent via e-mail, but the failure of any such notice by email to be received shall not affect notice otherwise validly given under this Agreement.
- 16.4 **Publicity; Confidentiality.** No publicity release or public announcement concerning this Agreement or the transactions contemplated hereby shall be made by Leonardo, Rossi, AEG or the Company without written advance approval thereof by each of Leonardo and the Company. While this Agreement is in effect and after this Agreement terminates, each party hereto and its Affiliates shall keep confidential, and shall not disclose, the terms of this Agreement to any other Person without the prior consent of each other Party hereto unless (i) the disclosure is required by law or legal process (including without limitation the federal securities laws and the rules and regulations of the Securities and Exchange Commission promulgated there

under) or (ii) the disclosure is to any officer, director, employee or agent of any party hereto or of any of its Affiliates and such Person needs to know such information for purposes of consummating the transactions contemplated by or the performance of this Agreement. In the case of press conferences or press releases, Leonardo shall have the right to select or reject certain journalists, who will be a part thereof or who will receive such releases.

During the term of this Agreement, each of Leonardo, Rossi, and AEG agrees to keep the E-Cat IP strictly confidential and not disclose any of the E-Cat IP to any other party; provided, however, that Leonardo and/or Rossi may disclose the E-Cat IP (i) to its employees as necessary in connection with the business of Leonardo and/or Rossi, provided that such business does not violate the provisions of this Agreement and further provided that such employees enter into a confidentiality agreement requiring them to keep the E-Cat IP strictly confidential, and (ii) in connection with any license agreement entered into in accordance with the procedure set forth in Section 13.2 hereof, provided that such disclosure is made only to the extent necessary to permit such licensee to utilize the license granted and such licensee enters into a confidentiality agreement requiring it to keep such E-Cat IP strictly confidential. Any confidentiality agreement entered into with an employee or licensee as contemplated in the preceding sentence shall include a provision stating that the Company is a third party beneficiary of such confidentiality agreement and may enforce the terms thereof. Each of Leonardo, Rossi, and AEG acknowledges that unauthorized use or disclosure of the E-Cat IP may result in irreparable damage to the Company. Accordingly, the Parties agree that injunctive relief shall be an appropriate remedy in the event of any breach or threatened breach of this paragraph, in addition to money damages or such other remedies as may be available with respect to such breach or threatened breach.

- 16.5 Bankruptcy. All rights and licenses granted under this Agreement are and shall be deemed to be "embodiment(s)" of "intellectual property" for purposes of, and as such terms are used in and interpreted under, Section 365(n) of the United States Bankruptcy Code (the "Bankruptcy Code"). The Company shall have the right to exercise all rights and elections with respect to the E-Cat IP and all E-Cat Products. Without limiting the generality of the foregoing, each of Leonardo and Rossi acknowledges and agrees that, if Leonardo or Rossi (or Rossi's estate) shall become subject to any bankruptcy or similar proceeding: (a) subject to the Company's rights of election, all rights and licenses granted to the Company hereunder will continue subject to the terms and conditions of this Agreement, and will not be affected, even by Leonardo's or Rossi's rejection of this Agreement, and (b) the Company shall be entitled to a complete duplicate of (or complete access to, as appropriate) all such intellectual property and embodiments of intellectual property comprising or relating to any E-Cat IP or E-Cat Products, and the same, if not already in the Company's possession, shall be promptly delivered to the Company, unless Leonardo elects to and does in fact continue to perform all of its obligations under this Agreement.

- 16.6 AEG. By joining into this Agreement as a Party, AEG acknowledges the terms of this Agreement, agrees that this Agreement does not violate the provisions of the AEG Agreement, agrees that the rights granted to AEG under the AEG Agreement do not and will not infringe upon or interfere with the License, agrees to indemnify and hold harmless the Company from and against any claim or dispute arising between AEG and Leonardo or Rossi in connection with the AEG Agreement or otherwise, and agrees to indemnify Leonardo and Rossi from and against any claim or dispute arising between AEG and the Company in connection with this Agreement or otherwise. All Parties hereby acknowledge and agree that the payments due to AEG pursuant to the AEG Agreement with respect to this Agreement will be made directly by the Company to AEG pursuant to a separate agreement to be entered into between AEG and the Company. The amounts payable to Leonardo hereunder reflect the fact that Leonardo will not make any payments to AEG under the AEG Agreement. AEG further acknowledges that upon execution of this Agreement and compliance by the Company with the provisions set forth herein, AEG will have no further rights under the AEG Agreement to market or sell the E-Cat IP or the license to manufacture of the E-Cat Products; provided, however, that in the event this Agreement is terminated by the Company for any reason or by Leonardo or Rossi due to the Company's failure to comply with the provisions of this Agreement, the AEG Agreement will be deemed reinstated in full and shall thereafter remain in full force and effect in accordance with its terms, except that no amount shall be payable under the AEG Agreement by Leonardo with respect to this Agreement.
- 16.7 Assignment. Other than the Company's right to sublicense as provided in Section 1, neither Leonardo nor Rossi, nor the Company, shall assign or otherwise transfer any of its rights, or delegate or otherwise transfer any of its obligations or performance under this Agreement, in each case whether voluntarily, involuntarily, by operation of law or otherwise, without the other party's prior written consent. No delegation or other transfer will relieve Leonardo or Rossi or the Company of any of their obligations or performance under this Agreement. Any purported assignment, delegation or transfer in violation of this Section 16.7 is void. This Agreement is binding upon and inures to the benefit of the Parties and their respective permitted successors and assigns.
- 16.8 Entire Agreement. This Agreement (including the Exhibits and Schedules hereto) and the other agreements, certificates and documents specifically incorporated herein by reference thereto, or delivered pursuant to this Agreement contain the entire agreement among the parties with respect to the transactions described herein, and supersede all prior agreements, written or oral, with respect thereto.
- 16.9 Waivers and Amendments. This Agreement may be amended, superseded, canceled, renewed or extended, and the terms hereof may be waived, only by a written instrument signed by the Parties or, in the case of a waiver, by the Party waiving compliance. No delay on the part of any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

- 16.10 **Governing Law and Dispute Resolution.** This Agreement shall be construed and enforced under the laws of the State of Florida without regard to the conflicts of law principles thereof that would defer to or result in the application of the substantive laws of another jurisdiction. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled exclusively by the Court of Miami, Florida, USA.
- 16.11 **Force Majeure.** Neither Party shall be liable for any delay in the performance of its obligations hereunder to the extent such delay is due to events beyond its reasonable control including without limitation, acts of God, fire, flood or other natural catastrophe, acts of any government in its sovereign capacity (including but not limited to any rule, law, order, regulation or direction thereof, or of any department, agency or commission thereof), national emergencies, insurrections, riots, war or hostile activities, quarantine restrictions, embargoes, launch failures, strikes, lockouts, work stoppages or other labor difficulties and sun eclipse or solar outages; provided, that notice thereof is given to the other Party within thirty (30) days of the later to occur of such event and the date that the Party being affected by such event obtains actual knowledge of such event.
- 16.12 **Further Assurances.** Each Party shall do and execute, or arrange for the doing and executing of, each necessary act, document and thing to implement this Agreement.
- 16.13 **Variations in Pronouns.** All pronouns and any variations thereof refer to the masculine, feminine or neuter, singular or plural, as the context may require.
- 16.14 **Headings, References.** The headings in this Agreement are for reference only, and shall not affect the interpretation of this Agreement. All references herein to Sections, subsections, clauses, Exhibits, and Schedules shall be deemed references to such parts of this Agreement, unless the context shall otherwise require.
- 16.15 **Exhibits and Schedules.** The following Exhibits and Schedules are attached to this Agreement and incorporated herein:
- | | |
|-----------------|---|
| Exhibit A | Description of E-Cat IP, including Licensed Patents |
| Exhibit B | AEG Agreement |
| Exhibit C | Description of the the 1 MW E-CAT Unit and the "Hot Cat" Unit |
| Exhibit D | List of agreements related to E-Cat IP or E-Cat Products |
| Schedule 3.2(b) | Procedures for validation of E-Cat IP |

IN WITNESS WHEREOF, the Parties hereto intending to be legally bound hereby,
have duly executed this License Agreement on the date first above written.

INDUSTRIAL HEAT, LLC

By: Thomas F. Darden, manager
Name: THOMAS F. DARDEN
Title: MANAGER
Address for Notices:
111 East Hargett Street, Ste 300
Raleigh, NC 27601
Email:

LEONARDO CORPORATION

By: Andrea Rossi
Name: ROSSI, ANDREA
Title: PRESIDENT
Address for Notices:
Andrea Rossi
1331 Lincoln RD., APT 601
Miami Beach FL 33139
Email: eon333@libero.it

ROSSI

Andrea Rossi
Name: ANDREA ROSSI
Address for Notices:
1331 Lincoln RD., APT 601
Miami Beach FL 33139
Email: eon333@libero.it

AEG:

AmpEnergio, Inc.

By: Karl Norwood
Name: KARL NORWOOD
Title: member
Address for Notices:
4110 Sunset Boulevard
Steubenville, Ohio 43952
Email: crgcassarino67@gmail.com

EXHIBIT A

Description of E-Cat IP, including Licensed Patents

See attached.



Handwritten initials or signature, possibly "J" and "TRO".

Handwritten initials or signature, possibly "N" and a circled "B".

EXHIBIT A

Description of the IP:

The IP is constituted by a volume in which are explained all the constructive drawings, with the dimensions and the characteristics of the materials, along with the instructions necessary to:

- 1- Manufacture the E-Cats
- 2- Operate the E-Cats
- 3- Manufacture the control systems
- 4- Operate the control systems

The IP will also contain 9 patents: *(the "Licensed Patents")*

- 1- Italian patent granted for process and apparatus
- 2- USA patent pending for process and apparatus
- 3- Europe patent pending for process and apparatus
- 4- USA patent pending for particulars and theory
- 5- USA patent pending for control systems
- 6- USA patent pending for additives and catalyzers in process and apparatus
- 7- USA patent pending for Hot Cat
- 8- USA patent pending for direct conversion of photons into electric energy
- 9- USA patent pending for particulars of the reactor

TRD

CPD

AP

EXHIBIT B

AEG Agreement

See attached.

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033111

AGREEMENT

THIS AGREEMENT made and entered into this 7 day of April, 2011, by and among LEONARDO CORPORATION ("LC"), a New Hampshire corporation, and DR. ANDREA ROSSI ("Rossi"), and AMPENERGO, INC. ("AEG"), an Ohio corporation,

W-I-T-N-E-S-S-E-T-H:

LC is the holder and sole owner of all intellectual property rights (the "IP Rights") related to a certain technology (the "ECAT Technology"), which concerns an invention that permits the economic and advantageous production, in a safe, reliable and repetitive way, of energy from nuclear reactions between hydrogen and inert metals. The technology is described in International Patent Application number W02009/125444A1 filed in Italy on April 9, 2008 by Rossi as file number PCT/IT2008/000532. In addition to the Patent Application, Rossi has also prepared and filed a separate document (the "Document") with an Italian Attorney Study, which sets forth the know how, technology and methodology relating to the ECAT Technology.

AEG and its individual shareholders, directors and officers have extensive experience in the energy sector and in developing and commercializing energy technologies.

LC and Rossi desire AEG to commercially market and exploit the ECAT Technology in North America, Central America, South America and the Caribbean (the "Americas") and AEG desires to assist LC and Rossi with the commercialization, exploitation and marketing of the ECAT Technology in the Americas.

NOW THEREFORE, in consideration of the mutual covenants and agreements as hereinafter set forth by the parties to be kept, observed and performed, the parties hereto covenant and agree as follows:

1. RECITALS/EXHIBITS

The foregoing recitals, as well as, all exhibits and schedules that are attached to this Agreement are hereby included in and are made a part of this Agreement.

2. GRANT OF EXCLUSIVE RIGHTS

A. In consideration of the sum of Fifty Thousand US Dollars (US \$50,000.00) paid by AEG to LC, the receipt and sufficiency of which is hereby acknowledged by LC, LC and Rossi grant to AEG the exclusive right to commercially market, sell the ECAT Technologies and Licence of manufacturing in the Americas for the Initial Term and the Extended Term as hereinafter provided. The consideration of Fifty Thousand US Dollars (US \$50,000.00) paid by AEG to LC for the exclusive rights as herein granted shall be

subject to reimbursement in accordance with the provisions as hereinafter provided in paragraph 6(A) of this Agreement.

B. LC and Rossi, jointly and severally, shall be responsible for obtaining, maintaining and defending all IP Rights relating to the ECAT Technology and shall indemnify and hold harmless AEG and all shareholders, directors and officers of AEG relating in any manner to the IP Rights for the ECAT Technology.

C. LC and Rossi, jointly and severally, represent, warrant and guarantee to AEG that the rights as herein granted by LC and Rossi to AEG to commercially market, exploit, develop, research, sell, license and otherwise utilize the ECAT Technology in the Americas are in no way in conflict with any rights that LC and/or Rossi may have granted to any other party or parties and that such rights have been exclusively granted to AEG.

D. AEG is aware that the patent of LC and Rossi is still in the phase of "Patent Pending" and that LC and Rossi cannot guarantee that the patent will be granted. In case the patent will not be granted this Agreement will remain valid, and will be based on the same technology and know how.

3. TERM

A. The Initial Term of this Agreement shall be for a period of two (2) years commencing on the date that LC first provides AEG with the necessary and essential test information (the "Test Information") for AEG to commercially market and exploit the ECAT Technology in the Americas. The parties acknowledge that LC will supply the Test Information to AEG based on data from the Greek-based one (1) megawatt installation that LC is in the process of developing, constructing and installing with certain other third parties or from such other independent tests that LC may be able to perform for another third party customer of the ECAT Technology.

B. The Initial two (2) year Term of the grant of exclusive rights by LC to AEG shall be extended for an additional term of eighteen (18) years (the "Extended Term") following the expiration of the Initial Term upon AEG achieving on or before the expiration of the Initial Term of this Agreement total gross receipts of a minimum of Fifteen Million US Dollars (US \$15,000,000.00) from the sale and/or licensing of the ECAT Technology.

4. TRADE SECRETS/CONFIDENTIAL INFORMATION

LC shall hold all information related to the fabrication, design, charge composition, catalysts, additives and technical operation relating to the ECAT Technology as Confidential Information and/or as a Trade Secret. LC shall provide AEG with all information as may be reasonably necessary and essential to enable AEG to properly and effectively market and exploit the ECAT Technology on a commercial basis, including, but not limited to, all necessary performance and test data relating to the capabilities, outputs, applications and configurations of the ECAT Technology. AEG shall cooperate

with LC to retain the confidentiality of all such Confidential Information and Trade Secret Information, except that with the approval of LC, all or certain portions of such Confidential Information and Trade Secret Information may be shared with potential customers deemed to be able to purchase or license the ECAT Technology. Such potential customers must have signed a confidentiality and exclusivity agreement acceptable to both LC and AEG prior to disclosure of such information. LC acknowledges that the disclosure of relevant test information and basic functional data relative to the ECAT Technology is essential for the proper marketing and exploitation of the ECAT Technology on a commercial basis, even if LC and Rossi will maintain secret the data that they will deem secret.

5. GOALS AND OBJECTIVES

A. LC represents that it has manufactured or has the means to manufacture an energy catalyzer (the "Catalyzer"). The Catalyzer is a device comprised primarily of a reactor vessel and a control system, which together permit the economic and advantageous production in a safe, reliable and repetitive way, of energy from nuclear reactions between hydrogen and certain inert metals as more fully described in the Patent Application filed by Rossi and the Document filed by Rossi with the Italian Attorney Study as each are above described. LC represents that the Catalyzer has demonstrated or is capable of demonstrating the capacity to generate continuous thermal energy at a rate of approximately 4 times the energy input or more.

B. It is the goal and objective of both LC and AEG that AEG will work to negotiate the sale and/or licensing of the ECAT Technology to one or more private, commercial or governmental entities in the Americas for a minimum of One Hundred Fifty Million US Dollars (US \$150,000,000.00). The parties intend for the prospective buyer or licensee of the ECAT Technology to initially purchase from LC a reactor using multiple Catalyzers connected in series and capable of producing one (1) megawatt of thermal energy utilizing the ECAT Technology for a minimum of Fifteen Million US Dollars (US \$15,000,000.00). A payment of the initial Fifteen Million US Dollars (US \$15,000,000.00) purchase price by the prospective buyer or licensee shall be contingent upon the positive outcome of independently verifiable tests to the reasonable satisfaction of the prospective buyer or licensee, which tests support the performance of the ECAT Technology.

C. In case of any agreement with the Government, the same conditions as with other Customers will be maintained and Leonardo will also participate in the benefits of the common research, if any.

D. All contracts will be made between Leonardo Corp. and the Customers. AEG will have the right to possess original copies of all agreements made on the territory subject to its exclusivity. All payments will be made from the Customers directly to LC, while LC will pay to AEG any payments due within 3 days from the payments from the Customers will have been cashed from LC. AEG will have the right to ask to the Customer all the documents regarding the payments made from the Customer to LC or

Andrea Rossi.

6. ALLOCATION OF LICENSE/SALE PROCEEDS

Proceeds from the sale and/or licensing of the ECAT Technology shall be allocated between LC and AEG as follows:

A. Fifty Thousand Dollars (\$50,000.00) of the initial sales or licensing proceeds in the amount of Fifteen Million US Dollars (US \$15,000,000.00) shall be payable to AEG as reimbursement for the initial consideration paid by AEG to LC upon the execution of this Agreement. The balance of the initial sales proceeds of Fifteen Million US Dollars (US \$15,000,000.00) shall be payable in the proportion of two-thirds to LC and one-third to AEG. These sums will be paid from LC to AEG only if LC will be paid from the Customer; if for any reason the Customer will not pay, nothing will be paid to AEG, for any reason, nor AEG will have the right to be refunded, for any reason, with no exclusions.

B. The proceeds received from the sale or licensing of the ECAT Technology in excess of Fifteen Million US Dollars (US \$15,000,000.00) up to a total of One Hundred Fifty Million US Dollars (US \$150,000,000.00) (being a net amount not greater than One Hundred Thirty Five Million US Dollars (US \$135,000,000.00) shall be distributed two-thirds to LC and one-third to AEG.

C. All receipts received from the sale or licensing of the ECAT Technology in excess of One Hundred Fifty Million US Dollars (US \$150,000,000.00) shall be distributed one-half to LC and one-half to AEG.

D. In the event that LC should agree to construct, for the benefit of an existing buyer or licensee of the E-Cat technology, a plant using the E-Cat technology, the proceeds from the sale shall be divided between LC and AEG as follows: LC shall first be paid the costs incurred to construct the E-Cat Technology plant on an assumed cost of US \$2,000.00 per kW of power installed and that any proceeds received in excess of said assumed construction costs would be distributed one half to LC and one half to AEG. By way of example, if LC would construct a one MW thermal power plant, the assumed cost of construction of said plant would be US \$ 2,000,000.00, which would be payable solely to the account of LC with any proceeds from the sale that are in excess of US \$2,000,000.00 to be distributed one half to LC and one half to AEG.

7. CONFIDENTIALITY OF AGREEMENT

Except as otherwise provided for in this Agreement, the parties will keep confidential the content of this Agreement, unless such information is required to be disclosed to comply with a valid order of a government or judicial entity of competent authority, in which case the affected party will undertake reasonable commercial efforts

to advise the other parties in advance of the requirements to disclose. The content and the timing of any press release or other public announcement or communication relating to the matters of this Agreement shall be mutually agreed in advance by AEG and LC, notwithstanding that AEG will have the right to communicate as reasonably necessary for the purpose of developing and commercializing the ECAT Technology.

8. ARBITRATION

A. Any dispute arising out of this Agreement, including those relating to its validity, interpretation, performance and termination, will be finally and definitively settled by an Arbitration Board, made up of a panel of three Arbitrators, one appointed by each of AEG and LC and the third, to be the chairman, appointed by agreement between the two Arbitrators appointed by AEG and LC, or, absent the ability of the appointing Arbitrators to agree, by the procedures specified by the Arbitration Rules of the International Chamber of Commerce.

B. Any arbitration relating to the Agreement will be held in the State of Florida under the Arbitration Rules of the International Chamber of Commerce. The Arbitration Board shall be directed by the parties involved in such arbitration to issue its decision within ninety (90) days of its formation. All arbitral awards shall be issued in a form that will allow them to be enforced by the courts of Italy and the United States. The language of the arbitration proceedings shall be the English language.

9. CORPORATE RESOLUTIONS

Concurrent with the execution of this Agreement LC shall deliver to AEG and AEG shall deliver to LC copies of resolutions of their respective Board of Directors certified by their respective corporation's Secretary stating therein that each corporation is duly authorized to enter into and execute this Agreement and to fully perform its covenants, agreements and obligations set forth therein.

10. COSTS AND EXPENSES

Each of the parties hereto shall bear their own expenses incurred in connection with this Agreement and in the consummation of the transactions contemplated herein and in the preparation hereof.

11. NOTICES

All notices or other communications made pursuant hereto shall be in writing and shall be deemed properly delivered, given or served if (i) personally delivered, (ii) mailed by certified or registered mail, return receipt requested, postage prepaid, or (iii) sent by overnight courier service, to the parties at the following addresses.

LC: Leonardo Corporation
1331 Lincoln Road, Unit 601
Miami Beach, Florida 33139 USA

Rossi: Andrea Rossi
c/o Leonardo Corporation
1331 Lincoln Road, Unit 601
Miami Beach, Florida 33139 USA

AEG: AmpEnergco, Inc.
4110 Sunset Boulevard
Steubenville, Ohio 43952

All notices shall be deemed received (i) if sent by overnight courier, one business day after it is sent, and (ii) if sent by certified or registered mail, forty-eight (48) hours after deposit in the United States mail. Either party may change its address for the purposes of this section by giving ten (10) days prior written notice of such change to the other party in the manner provided in this paragraph.

12. NON-ASSIGNMENT

This Agreement shall not be assignable by any of the parties hereto, without the express written consent of all of the parties hereto, and nothing in this Agreement, expressed or implied, is intended to confer upon any person or corporation, other than the parties hereto and their respective heirs, executors, administrators and successors, any rights or remedies under or by reason of this Agreement.

13. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

14. CHANGES IN WRITING

Any changes or waivers in any of the provisions of this Agreement shall be in writing and signed by all of the parties hereto, and such changes or waivers shall not in any way effect any of the other terms or provisions of this Agreement unless expressly so indicated.

15. ENTIRE AGREEMENT

This Agreement and the exhibits referred to herein contain the entire agreement of the parties with respect to the purchase of the assets and other transactions contemplated by this Agreement and supercede all understandings or agreements heretofore made.

16. PARAGRAPH HEADINGS

The paragraph headings in this Agreement are inserted for convenience only and shall not in any way affect the meaning or interpretation of this Agreement.

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Handwritten initials: "TFP".

Handwritten initials: "CC".

Handwritten checkmark.

17. WAIVER

No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach. All remedies afforded hereunder or by law or equity shall be taken and construed as cumulative, that is, in addition to every other remedy provided hereunder or by law or equity.

18. SUCCESSION

All of the terms, provisions, covenants, agreements, and conditions of this Agreement shall inure to and be binding upon the respective heirs, administrators, executors, successors and assigns of the parties hereto, whether herein express or not.

19. LANGUAGE OF AGREEMENT

The language of this Agreement and all communications among the parties shall be the English language.

IN WITNESS WHEREOF, SELLER and BUYER have caused these presents to be executed in two counterparts, each of which shall be deemed an original on the day and year first above written on the dates set forth below their respective signatures.

Witnesses as to LC:

Witness No. 1 Signature

Print Name: EMIL VILLALBA

Witness No. 2 Signature

Print Name: Diana M. Camacho

Witnesses as to Rossi:

Witness No. 1 Signature

Print Name: EMIL VILLALBA

Witness No. 2 Signature

LC:

Leonardo Corporation

By: DR. ANDREA ROSSI

DR. ANDREA ROSSI, President

Date: 7th April 2011

ROSSI

DR. ANDREA ROSSI

Date: 7th April 2011

Print Name: _____

Witnesses as to ARG:

AEG:

Witness No. 1 Signature _____

Print Name: Enrique M. Mero

AmpEnergio, Inc. .

By: Craig Cassarino

CRAIG CASSARINO, Secretary

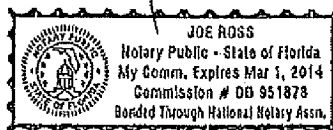
Date: 4/17/11

Witness No. 2 Signature _____

Print Name: David W. Cassarino

State of Fla
County of Miami /
(USA) Before me on the
7th day of April 2011 I appeared
Craig Cassarino and Andrew
Russo who assert to be
document as Trust of Cassarino.

4/17/11
Exp. Date



By Na Hanjula
080044061

By Ellen Frost
AA1279246

CW
TFD
A

EXHIBIT C

Description of the 1 MW E-CAT Unit and the "Hot Cat" Unit

The product of Leonardo known and referred to as the "Hot-Cat," and as described in a series of 5 email attachments delivered on behalf of Leonardo and Rossi to Thomas F. Darden @tdarden@cherokeefund.com by Andrea Rossi from eon3333@tiscali.it on October 26, 2012

See attached description of 1 MW E-CAT Unit.

TFD

R

Specification of E-Cat 1Mw Unit



Thermal Output Power	1 MW
Electrical Input Power Peak	200 kW
Electrical Input Power Average	167 kW
COP	6
Power Ranges	20 kW-1 MW
Modules	52
Power per Module	20kW
Water Pump brand	
Water Pump Pressure	4 Bar
Water Pump Capacity	1500 kg/hr
Water Pump Ranges	30-1500 kg/hr
Water Input Temperature	4-85 C
Water Output Temperature	85-120 C
Control Box Brand	Natl. Instr.
Controlling Software	Leonardo
Operation and MaintenanceCost	\$0.5/MWhr
FuelCost	\$0.1/MWhr
RechargeCost	\$10/module
RechargeFrequency	2/year
Warranty	2 years
EstimatedLifespan	20 years
Price	1.5 M US
Total Cost (20 years operation)	12.13/MWh Euro
Dimension	2.4x2.6x6m

JP
TLP

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EXHIBIT D

List of Agreements Related to E-Cat IP or E-Cat Products

See attached.

PRO

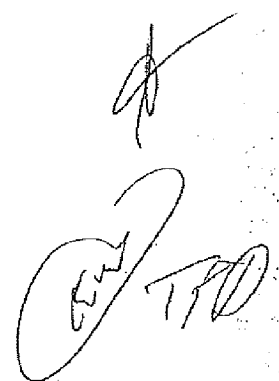
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EXHIBIT D

LIST OF THE EXCLUSIVE COMMERCIAL LICENSEES

- 1- AMPENERGO - AMERICAS
- 2- HYDROFUSION (LONDON): NORTH EUROPE
- 3- ECOGLOBALFUELS (SIDNEY): AUSTRALASIA, AFRICA, INDIA
- 4- LUBERONENERGIES (AMSTERDAM): FRANCE, BENELUX
- 5- LEONARDO SLOVENIA (LUBIANA): SLOVENIA
- 6- PROMETEON (BOLOGNA): ITALY AND AUSTRIA
- 7- ECAT DEUTSCHLAND (BERLIN) : GERMANY
- 8- ECAT SWISSE (ZURICH): SWISSE AND LIECHTENSTEIN
- 9- CASTIGAN (LA VALLETTA): MALTA
- 10- STREMMENOS (ATHENS): GREECE AND BALKANS
- 11- MAIMARIS (CYPRUS): CYPRUS

Handwritten signature and initials, possibly "JTD", in the bottom right corner of the page.

SCHEDULE 3.2(b)

Procedures for Validation of E-Cat IP

No later than five days following Validation of the Plant, Leonardo and Rossi will deliver to any combination of one or more United States patent attorneys (the "Attorney(s)") and a nuclear engineer (the "Engineer"), in each case that are not an Affiliate of Rossi, to be selected by Leonardo (the "Validation Agent"), all documents, manuals, technical data, formulae, and other items and materials (collectively, the "Technical Information") necessary or useful to enable the Company to (i) operate the IMW E-Cat Unit and the "Hot Cat," (ii) make E-Cat Products, and (iii) exploit the E-Cat IP as contemplated by this Agreement; provided, however, that the Technical Information shall not include the catalyzer formula used to fuel the E-Cat and the "Hot Cat" (the "Catalyzer Formula").

The Engineer will be engaged to review the Technical Information delivered to it and verify to the Company in writing that such Technical Information includes all items and materials that appear to be reasonably necessary or useful to enable the Company to build and operate the IMW E-Cat Unit and the "Hot Cat," exclusive of the Catalyzer Formula. The Engineer will be required to submit the written verification to the Company, Leonardo, and the Escrow Agent as soon as possible following Validation, but in any event within thirty days following Validation. The Escrow Agent will be instructed to deliver to Leonardo the escrowed \$10,000,000 immediately upon receipt of the written verification from the Engineer.

Prior to delivery of the Technical Information to the Attorney(s) and the Engineer, if requested by Leonardo, such Attorney(s) and Engineer will be required to enter into an agreement pursuant to which they agree to keep the Technical Information delivered to them and the E-Cat IP in strict confidence and not disclose to any party any of the Technical Information or the E-Cat IP or the fact that they received and reviewed any of the Technical Information. Each Attorney and the Engineer will further agree to hold such materials in escrow and deliver the Technical Information in their possession (i) to the Company immediately upon receipt of notice from the Escrow Agent that the \$10,000,000 has been delivered to Leonardo by the escrow agent as contemplated by Section 3.2(b), or (ii) to Leonardo in the event the Engineer is unable to verify that the Technical Information delivered to it meets the conditions specified above within thirty days following Validation. The Company shall bear the costs of the Engineer.

Leonardo and Rossi shall deliver the Catalyzer Formula to the Company immediately following delivery of the \$10,000,000 to Leonardo by the Escrow Agent and shall concurrently advise, instruct and demonstrate to the Company the steps and procedures necessary to create the Catalyzer Formula and to use the Catalyzer Formula to make the IMW E-Cat Unit and the "Hot Cat" fully operable in the same manner as required for Validation of the Plant.

The Engineer's written verification, all Technical Information, the Catalyzer Formula, and all other E-Cat IP, to be delivered to the Company pursuant to the terms of the Agreement and this Schedule 3.2(b) must be in English.

CONTRIBUTION AGREEMENT

This CONTRIBUTION AGREEMENT (the "Agreement") is made this 21st day of January 2013 (the "Effective Date") by and between Industrial Heat, LLC, a Delaware limited liability company (the "Company"), and AmpEnergco, Inc., an Ohio corporation ("AEG").

WITNESSETH:

WHEREAS, Company is a Delaware limited liability company formed on October 24, 2012; and,

WHEREAS, pursuant to an agreement (the "AEG/LC Agreement") dated April 7, 2011 and entered into between AEG, Leonardo Corporation ("LC"), and Andrea Rossi ("Rossi"), AEG holds the exclusive right from LC to "commercially market and sell the ECAT Technologies and License of manufacturing in the Americas;" and,

WHEREAS, the Company entered into a license agreement with LC, Rossi, and AEG effective as of October 26, 2012 (the "License Agreement"), pursuant to which the Company will control the E-Cat IP and E-Cat Products (each as defined in the License Agreement and collectively referred to herein as the "E-Cat Technology" and specifically including, without limitation, the "Hot Cat") in the Americas, China, Russia, Saudi Arabia, and the United Arab Emirates (the "Territory"); and,

WHEREAS, AEG wishes to contribute and the Company wishes to accept certain property rights and interests in consideration for the issuance by Company of agreed upon Membership Interests to AEG in such proportions and at such times as set forth in this Agreement; and,

WHEREAS, the Company and AEG are entering into this Agreement to more fully document the terms generally set forth in that certain Memorandum of Terms between the Company and AEG dated October 26, 2012, which shall be superseded by this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, it is agreed as follows:

1. Contribution of AEG Property.
 - (a) In exchange for the contingent future right to receive voting Membership Interests in the Company and certain cash consideration upon the occurrence of certain events, as more specifically described hereinbelow, AEG hereby contributes, conveys, assigns and transfers to Company as a capital contribution, and Company hereby accepts from AEG, AEG's exclusive rights to commercially market and sell the E-Cat technologies and license of manufacturing in North, South, Central America and the Caribbean, all as more specifically set forth in the AEG/LC Agreement, as well as any other rights AEG has under the AEG/LC Agreement (the "Contributed Property").

- (b) The fair market value of the Contributed Property on the Effective Date is uncertain and is ascertainable only upon the occurrence of the events described in Sections 2(a) and 2(b) below, and such fair market value shall be determined pursuant to those provisions of this Agreement. At such times, if any, as AEG is issued Membership Interests in the Company pursuant to the provisions of Sections 2(a) and 2(b) below, the fair market value of the Contributed Property as established under this Agreement shall be utilized in recording such property on the Company's books and records maintained for purposes of complying with Section 704(b) of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations promulgated thereunder, in the manner described respectively in Sections 2(a) and 2(b) below.

2. Issuance of Equity and Cash Consideration. In consideration of AEG's contributing the Contributed Property to the Company, AEG shall be entitled to receive from the Company the following:

- (a) Within thirty (30) days following the date LC receives \$10 million as provided in Section 3.2(b) of the License Agreement, the Company will issue to AEG, in partial consideration of AEG's contribution of the Contributed Property, voting Membership Interests (the "Equity") equivalent to \$4.5 million in value (the "First Tranche") based on an agreed valuation of the Company at that time of \$12.05 Million; provided however, that the Company may elect to deliver to AEG such consideration in the form of cash or a combination of cash and equity. By way of example, if the First Tranche due to AEG is received as Equity in the Company, AEG would own 27.19% of the Company ($\$4.5 \text{ million} \div (\$12.05 \text{ million} + \$4.5 \text{ million})$). It is the intent of AEG and the Company to work together to successfully raise the \$4.5 million reflected in this paragraph. If, despite the reasonable best efforts of each party, the entire \$4.5 million is not raised in cash, the amount not raised in cash will be issued as Equity in the Company as set forth in this paragraph.

For purposes of AEG's Capital Account in the Company, if AEG is entitled to receive the First Tranche of Equity and/or cash as provided above, AEG shall be credited with making a Capital Contribution in an amount equal to \$4.5 million less any amount of cash received pursuant to this Section 2(a) and shall be credited with a Capital Account in such amount. By way of example, based on the example above in this Section 2(a), if AEG receives all Equity, it would be entitled to Capital Account credit of \$4.5 million.

- (b) Within five (5) business days following the date LC receives \$89 million or \$44.5 million, as the case may be, as provided in Section 3.2(c) of the License Agreement (the "3.2(c) LC Payment"), the Company will issue to AEG, in partial consideration of AEG's contribution of the Property, Equity based upon a deemed contribution to the Company of \$45 million (the "Second Tranche"), less the Minimum Cash (as defined below) due, if any, with such Equity to be priced

based upon a 20% discount to the pre-money fair market value of the Company at that time as determined by the terms utilized with other participating investors at that time (the "pre-money FMV"). If as of the time the 3.2(c) LC Payment is made, AEG has not previously received total cash payments or distributions of not less than \$5 million (the "Minimum Cash") from the Company, then the Company shall pay or distribute to AEG the portion of the Second Tranche necessary to provide an amount of cash equal to the difference between the amount of cash payments or distributions previously received by AEG pursuant to this Agreement and \$5M and shall issue the balance of the Second Tranche in Equity. By way of example, if the Company elects to provide only Equity to AEG and the then pre-money FMV of the Company is \$1 billion, AEG would receive a 5.33% ownership interest in the Company upon a deemed contribution to the Company of \$45 million. If the Company pays or distributes \$4.5 million of the Second Tranche in cash and the remainder in Equity and the then pre-money FMV of the Company is \$1 billion, AEG would receive a 4.82% ownership interest in the Company upon issuance of Equity based upon a deemed contribution to the Company of \$40.5 million.

For purposes of AEG's Capital Account in the Company, if AEG is entitled to receive the Second Tranche, AEG shall be credited with an increase in the amount of its Capital Contribution in an amount equal to the value of the Equity received, if any, based upon the pre-money FMV of the Company without regard to the discount pricing received by AEG. By way of example, based on the first example above in this Section 2(b), if AEG receives all Equity, it would be entitled to Capital Account credit of \$55.7 million.

- (c) The issuance of any Equity pursuant to this Agreement will be accomplished by a customary Membership Purchase Agreement among AEG and the then existing Members of the Company providing for (i) customary preemptive rights with respect to the issuance of any new securities of the Company, (ii) customary co-sale rights and obligations with respect to any sale of the securities of the Company by its Members, (iii) so long as AEG is an owner of at least 15% of the outstanding equity of the Company, the right of AEG to designate an individual to serve on the Company's governing body, with the voting power of such individual in relation to the total voting power of the governing body not to exceed AEG's percentage ownership of the outstanding equity of the Company; and (iv) certain consent rights relative to the sale or sublicense of the E-Cat Technology by the Company to an affiliate of a member of the Company for less than fair value.

In connection with the issuance of any securities in the Company as contemplated above, AEG agrees to provide any representations and execute any documents required by the Company to comply with applicable securities laws. Further, as a condition to the closing of any such transaction, AEG shall enter into the operating agreement of the Company in effect at such time and shall be subject to such terms and conditions contained therein as are applicable to other members of the Company at such time.

3. Right to Receive Proceeds. The Company has paid to AEG \$550,000 in exchange for the contingent future right to receive proceeds as described herein (the "Right to Receive Proceeds"), and AEG acknowledges receipt of such payment. The Company may exercise the Right to Receive Proceeds at any time following termination, for any reason, of the License Agreement by providing written notice of such exercise to AEG; provided that the Right to Receive Proceeds will expire and terminate, in any event, upon compliance by LC and Rossi with all delivery and other obligations under the License Agreement and payment by the Company of all amounts that become due and payable under the License Agreement. Upon exercise of the Right to Receive Proceeds, the Company will acquire a 27.19% interest in all payments to which AEG is or becomes entitled under the AEG/LC Agreement in accordance with the Assignment of Payment Rights in the form attached hereto as Exhibit A. In no event will the Company be entitled to receive any revenue payable by the Company to AEG as a result of the License Agreement, it being understood that any and all such revenue is intended to benefit the current owners of AEG. AEG represents and warrants that the AEG/LC Agreement is in full force and effect as of the date hereof, has not been amended, assigned, transferred, pledged, or a security interest granted therein, and AEG's rights thereunder have not otherwise been altered or terminated. Further, from the date of this Agreement through closing of the exercise by the Company of its Rights to Receive Proceeds, AEG will not amend, assign, transfer, pledge, grant a security interest in or otherwise alter or terminate its rights under the AEG/LC Agreement without the prior written consent of the Company.

4. Intent of Parties. The Company anticipates receiving the exclusive right and license to develop, manufacture, make, have made, use, have used, offer to sell, have offered for sale, sell, have sold, import, and have imported all products deriving from the E-Cat IP in the Territory, as contemplated by the License Agreement. Upon receipt of such exclusive right and license, the Company plans to sublicense and commercialize the E-Cat Technology and, provided that AEG has received or will receive Equity in the Company, the parties intend to work together in doing so. In connection therewith, AEG intends to work closely with the Company towards the successful commercialization of the E-Cat Technology, including AEG providing assistance in future negotiations regarding research and licensing agreements with commercial and government entities with which AEG has had a prior and ongoing relationship and assisting with additional investments into the Company from outside investors known to AEG.

5. Confidentiality. AEG will, at all times both during and following the term of this Agreement, (a) maintain, preserve, and protect the confidential, proprietary and trade secret nature of the "Confidential Information," as defined below, whether such Confidential Information relates to business, technical, financial or other affairs of the Company, or any affiliate of the Company, and whether such Confidential Information was received by or disclosed to AEG in oral, written or electronic form, and (b) refrain from using for the benefit of itself or any third party, or disclosing to any third party, any of the Confidential Information without the written consent of the Company. The term "Confidential Information" as used herein shall mean and include all information not generally available to the public regarding this Agreement or the License Agreement or relating to the business, technical, financial or other affairs of the Company or its affiliates, including, without limitation, the fact that this Agreement or the License Agreement exists or the terms thereof (provided that AEG and its shareholders

may disclose the payment terms of this Agreement to their personal tax advisors), all information relating to intellectual property and products licensed pursuant to the License Agreement, all information relating to pricing, financing, business structure, transactions and parties to transactions, investors, and the internal affairs and relationships of the Company or its affiliates with third parties, and all information disclosed to or received by AEG which is specifically and reasonably identified to it by the Company or any affiliate, either orally, in writing or electronically, as constituting Confidential Information hereunder. Notwithstanding the foregoing, AEG will be entitled to disclose Confidential Information to the extent necessary to satisfy the demands of valid legal process and to the extent such information becomes publicly available through means not involving a breach of its obligations hereunder; provided, however, that if AEG shall become subject to any legal process requesting disclosure of any Confidential Information, AEG will promptly notify the Company in writing so that the Company, at its election, may seek to prevent such disclosure or to obtain a protective order maintaining the confidentiality of such information. The violation of the confidentiality provisions set forth above would cause irreparable harm that may not be adequately calculated or fully remedied by monetary relief. Accordingly, in the event of any such violation by AEG or any of its shareholders or principals, the Company will be entitled to seek and obtain injunctive relief in addition to and not in lieu of money damages.

6. Taxes. To the extent AEG receives Equity pursuant to Sections 2(a) and 2(b) of this Agreement, the parties agree to treat such transaction for income tax reporting and all other income tax purposes as a qualifying exchange of property for partnership interests for income tax purposes under Section 721(a) of the Code. To the extent AEG receives cash pursuant to Sections 2(a) and 2(b) of this Agreement, the parties agree to treat such transaction for income tax reporting and all other income tax purposes as a sale under the rules of Section 707(a)(2)(B) of the Code and Treasury Regulation Section 1.707-3. The parties agree to take tax return positions consistent with the prior two sentences and claim such treatment in any audit or other tax proceeding.

7. No Assignment. Neither party will be entitled to assign this Agreement to any person without the prior written consent of the other party, which consent may be given or withheld or conditioned in such party's sole discretion.

8. Entire Agreement; Binding Effect. This Agreement contains the entire agreement between the parties relating to the subject matter hereof and any prior agreements pertaining thereto, whether oral or written, are hereby merged and integrated into this Agreement. No subsequent amendment, modification or other change of this Agreement will be valid, binding or enforceable unless the same shall be made in writing and signed by the person against whom enforcement is sought. This Agreement settles and resolves in full all matters between the parties and/or any of their respective affiliates, members, managers, owners, representatives, or agents (collectively, "Affiliated Parties") with respect to the payments due AEG in connection with the License Agreement, it being understood that the Affiliated Parties shall be third party beneficiaries of this paragraph. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Company and AEG as their interests appear.

9. Notices. All communications between the parties or notices or other information

sent under this Agreement shall be in writing, hand delivered or sent by overnight courier for next business day delivery, addressed to the relevant Party at its address specified below or at such other address as such Party may request in writing. All such communications and notices shall be effective the next business day following delivery to the courier.

If to the Company:

Industrial Heat, LLC
Attention: Tom Darden
111 East Hargett Street, Suite 300
Raleigh, North Carolina 27601

with a copy to:

Schell Bray, PLLC
Attention: Thomas C. Watkins, Esq.
230 North Elm Street, Suite 1500
Greensboro, NC 27401

If to AEG:

AmpEnergo, Inc.
Attention: Karl Norwood
4110 Sunset Boulevard
Steubenville, Ohio 43952

And

NAI Norwood Group
Attention: Karl Norwood
116 South River Road
Bedford, NH 03110

with a copy to:

Nixon Peabody LLP
Attention: James C. Hood
900 Elm Street
Manchester, NH 03101

10. Counterparts. This Agreement may be executed in counterparts, no one of which need contain the original signatures of all parties hereto, provided that one or more counterparts collectively shall contain the signatures of both parties to this Agreement. Execution hereof by facsimile or electronic mail shall have the same force and effect as execution by original signature.

11. Governing Law. This Agreement shall be governed in all respects by the laws of the State of North Carolina.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned have executed this Agreement, as of the day and year first above written.

INDUSTRIAL HEAT, LLC

By: TH F. Darden
Name: THOMAS F. DARDEN
Title: Managing Member

AMPENERGO, INC.

By: Karl Norwood
Name: KARL NORWOOD
Title: President

The undersigned, being shareholders of AEG, hereby join into this Agreement for purposes of being personally bound by the provisions set forth herein and acknowledging and agreeing that any breach by them of the confidentiality provisions set forth herein shall also be deemed a breach by AEG.

Karl Norwood
Karl Norwood

Craig Cassano
Craig Cassano

Ronald Engleman
Ron Engleman

Robert Gentile
Robert Gentile

Richard Noceti
Richard Noceti

IN WITNESS WHEREOF, the undersigned have executed this Agreement, as of the day and year first above written.

INDUSTRIAL HEAT, LLC

By: Thomas F. Darden
Name: THOMAS F. DARDEN
Title: Managing Member

AMPENERGO, INC.

By: Karl Norwood
Name: Karl Norwood
Title: President

The undersigned, being shareholders of AEG, hereby join into this Agreement for purposes of being personally bound by the provisions set forth herein and acknowledging and agreeing that any breach by them of the confidentiality provisions set forth herein shall also be deemed a breach by AEG.

Karl Norwood
Karl Norwood

Craig Cassano
Craig Cassano

Ron Engleman
Ron Engleman

Robert Gentile
Robert Gentile

Richard Noceti
Richard Noceti

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EXHIBIT A

Form of Assignment of Payment Rights

ASSIGNMENT OF PAYMENT RIGHTS

THIS ASSIGNMENT OF PAYMENT RIGHTS ("Agreement") is entered into as of _____ (the "Effective Date"), by and between AMPEMERGO, INC., an Ohio corporation ("Assignor"), and INDUSTRIAL HEAT, LLC, a Delaware limited liability company ("Assignee") (Assignor and Assignee each a "Party" and together the "Parties" hereunder).

WITNESSETH:

Pursuant to an agreement (the "Contract") dated April 7, 2011 among Assignor, Leonardo Corporation ("LC") and Andrea Rossi ("Rossi"), a copy of which is attached hereto as Exhibit A, Assignor holds the exclusive right to "commercially market and sell the ECAT Technologies and License of manufacturing in the Americas."

Under the Contract, from the proceeds of the sale and/or licensing of the ECAT Technology, Assignor is entitled to receive certain payments as set forth therein (the "Payment Rights").

Pursuant to an Agreement dated January ____, 2013 between Assignor and Assignee, Assignor granted to Assignee a fully paid option to acquire the Interest (as defined below) and Assignee has exercised such option.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do agree as follow:

1. Sale of Interest. Assignor hereby agrees to assign, transfer and sell, and on the Effective Date does hereby assign, transfer and sell, to Assignee, and Assignee hereby agrees to acquire and, effective on the Effective Date, does hereby acquire, an undivided 27.19% interest (the "Interest") in (i) the Payment Rights and all other rights and benefits of the Assignor under the Contract, to the fullest extent permitted by applicable law, and (ii) all claims, suits, causes of action and any other right of Assignor, whether known or unknown, against the other parties to the Contract arising under or in connection with the Contract or the transaction governed thereby, including contract, tort claims and statutory claims and all other claims at law and in equity.

2. Consideration. In consideration for the assignment transfer and sale of the Interest hereunder, Assignee has previously paid to Assignor the amount of \$550,000, and Assignor hereby acknowledges receipt of such payment.

3. Payments to Assignee. Assignor shall remit without deduction or offset directly to Assignee all monies due or to become due to Assignee pursuant to Interest in immediately

available funds on the same day Assignor shall have received the funds. Assignee shall reimburse Assignor for all bank wire charges incurred or paid by Assignor in making remittances pursuant to this Agreement. All funds to be remitted by Assignor to Assignee shall be sent by federal funds, bank wire transfer to:

ABA Routing number _____
For the benefit of _____
Account # _____
SWIFT ID: _____

Assignee may at any time change the above-referenced wire transfer instructions by notice given in compliance herewith.

4. Representation and Warranties. Assignor hereby represents and warrants to Assignee that (i) a full, correct and complete copy of the Contract is attached to this Agreement as Exhibit A; (ii) Assignor has not previously assigned any interest under the Contract or pledged the Contract or granted any security interest therein; and (iii) the Contract is in full force and effect and neither Assignor, Rossi nor LC is in default thereunder.

5. Covenants. Assignor covenants and agrees that, unless the Assignee shall otherwise consent in writing, Assignor shall:

(a) Perform the obligations on Assignor's part to be kept and performed under the Contract.

(b) Deliver to Assignee a copy of any written notice delivered by Assignor or received by it pursuant to or in connection with the Contract and promptly notify Assignee, in writing, of the occurrence of any breach of the Contract, whether committed by it or any other party, as soon as Assignor becomes aware of such breach.

(c) Keep full and complete records and accounts with respect to the Contract and furnish Assignee with copies thereof at no charge and account to Assignee in writing as reasonably requested by Assignee, for all payments received by Assignor in connection with the Contract.

(d) Not encumber, pledge, mortgage, charge or otherwise grant a security interest in or to Assignor's right, title and interest in and to the Contract, it being agreed that any such security interest granted without Assignee's written consent shall be void and of no force and effect; and

(e) Not terminate, assign or otherwise dispose of any interest in, waive any breach of, or fail to enforce, or forgive or release any material right, interest or entitlement under, or seek to rescind or suspend, or amend, supplement or modify the Contract, and Assignor shall take all other actions necessary and proper to keep the Contract in full force and effect.

6. Filing of Financing Statements. Assignor authorizes Assignee to file financing statements under the applicable Uniform Commercial Code covering the Interest containing such information as Assignee shall deem necessary or desirable to protect Assignee's interest in the Payment Rights. Assignor agrees to execute as required by Assignee any necessary financing statements, continuation financing statements, and related documents as Assignee might request, in a form satisfactory to Assignee, so long as this Agreement remains in effect.

7. Enforcement of Contract. If any party commits a breach of the Contract then and in any such case, Assignor may, and in any event upon request by Assignee, shall, at Assignor's expense (without prejudice, however, to any right that Assignee might have as a result of such breach), cause, or join with Assignee in causing, appropriate proceedings to be instituted and prosecuted in a court of competent jurisdiction in order to enforce the performance or observance of the Contract. Assignor shall keep Assignee advised regarding the status of any such proceedings and shall permit Assignee, at Assignee's election and expense, to join in any such proceeding or to proceed directly to enforce the contract to the extent of the Interest.

8. No Assumption of Obligations. Assignor specifically acknowledges and agrees that the Assignee does not assume, and shall have no responsibility for, the payment of any sums due or to become due under the Contract by Assignor or the performance of any of the obligations to be performed under the Contract by Assignor, and Assignor indemnifies and holds Assignee harmless with respect to any and all claims by any person relating thereto.

9. Performance of Covenants. Assignee may perform any of the covenants of Assignor under the Contract in order to cure a breach of the Contract committed by the Assignor. All amounts paid by Assignee in connection with such cure shall be payable by Assignor on demand by Assignee.

10. Miscellaneous.

(a) Entire Agreement; Amendments; Exercise of Rights. This Agreement constitutes the entire agreement of the Parties with respect to the respective subject matters hereof and supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings and representations on such subjects, all of which have become merged and finally integrated into this Agreement. No amendment of any provision of this Agreement shall be effective unless it is in writing and signed by the Parties and no waiver of any provision of this Agreement, nor consent to any departure by either Party from it, shall be effective unless it is in writing and signed by the affected Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No failure on the part of a Party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver hereof by such Party, nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise thereof or the exercise of any other right.

(b) Survival; Successors and Assigns. All representations, warranties, covenants, indemnities and other provisions made by the Parties herein shall be

considered to have been relied upon by the Parties, shall be true and correct as of the date hereof, and shall survive the execution, delivery, and performance of this Agreement. This Agreement, including the representations, warranties, covenants and indemnities contained in this Agreement, shall inure to the benefit of, be binding upon and be enforceable by and against the Parties and their respective successors and permitted assigns.

(c) Further Assurances. Each Party agrees (i) to execute and deliver, or to cause to be executed and delivered, all such instruments and (ii) to take all such actions, as the other Party may reasonably request to effectuate the intent and purposes, and to carry out the terms, of this Agreement, including the procurement of any third-party consents.

(d) Disclosure. Each Party agrees that, without the prior written consent of the other Party, it shall not disclose the contents of this Agreement to any Person, except that any Party may make any such disclosure (a) as required to implement or enforce this Agreement, (b) if required to do so by any law, court, regulation, subpoena or other legal process, (c) to any governmental authority or regulatory entity having or asserting jurisdiction over it, (d) if its attorneys advise it that it has a legal obligation to do so or that failure to do so may result in it incurring a liability to any other Person, (e) to its professional advisors and auditors or (f) to its members or shareholders, provided that they first agree to be bound by these confidentiality provisions to the same extent such Party is hereby bound.

(e) Counterparts. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Agreement by email in portable digital format (pdf) or telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

(f) Relationship Between Assignor and Assignee. The relationship between Assignor and Assignee shall be that of seller and buyer. Neither Party is a trustee or agent for the other Party, nor does either Party or its respective officers, directors, managers or employees have fiduciary obligations to the other Party. This Agreement shall not be construed to create a partnership or joint venture between the Parties.

(g) Severability. The illegality, invalidity, or unenforceability of any provision of this Agreement under the law of any jurisdiction shall not affect its legality, validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.

(h) Governing Law. This Agreement shall be governed by, and construed in accordance with, the law of the State of North Carolina.

(i) Jurisdiction. Each Party irrevocably and unconditionally submits to and accepts the nonexclusive jurisdiction of any North Carolina State or United States Federal court sitting in Wake County, North Carolina for any action, suit, or proceeding arising out of or based upon this Agreement or any matter relating to it, and waives any objection that it may have to the laying of venue in any such court or that such court is an inconvenient forum or does not have personal jurisdiction over it.

(j) Interest. If Assignor fails to pay any amount payable by it hereunder when due, then interest shall accrue and be payable immediately upon demand on such unpaid amount at a per annum rate, compounded annually, equal to the prime rate of interest as in effect from time to time, as reported in the money rates section of the Wall Street Journal, plus four percent (4%), from and including the date on which such amount became due to but excluding the date the same is paid in full.

(k) Notices. All communications between the Parties or notices or other information sent under this Agreement shall be in writing, hand delivered or sent by overnight courier for next business day delivery, addressed to the relevant Party at its address specified on Exhibit B or at such other address as such Party may request in writing. All such communications and notices shall be effective the next business day following delivery to the courier.

(l) No Third Party Beneficiary. None of the provisions of this Agreement shall inure to the benefit of any person other than Assignor and Assignee. Consequently, no person other than Assignor and Assignee shall be entitled to rely upon or raise as a defense, in any manner whatsoever, the failure of either Assignor or Assignee to comply with the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

AMPEMERGO, INC.

INDUSTRIAL HEAT, LLC

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: Manager

EXHIBIT A

[See attached Contract]

14252094.4

A-1

EXHIBIT B

Addresses

If to the Company:

Industrial Heat, LLC

Attention: _____

111 East Hargett Street, Suite 300

Raleigh, North Carolina 27601

with a copy to:

Schell Bray, PLLC

Attention: Thomas C. Watkins, Esq.

230 North Elm Street, Suite 1500

Greensboro, NC 27401

If to AEG:

AmpEnergo, Inc.

Attention: _____

4110 Sunset Boulevard

Steubenville, Ohio 43952

With a copy to:

Nixon Peabody LLP

Attention: James C. Hood

900 Elm Street

Manchester, NH 03101

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**FIRST AMENDMENT TO
LICENSE AGREEMENT**

THIS FIRST AMENDMENT TO LICENSE AGREEMENT (this "Amendment"), is made and entered into as of April 29, 2013 by and among LEONARDO CORPORATION, a New Hampshire Corporation ("Leonardo"), ANDREA ROSSI ("Rossi"), AMPENERGO, INC., an Ohio corporation ("AEG"), and INDUSTRIAL HEAT, LLC, a Delaware limited liability company (the "Company"). Each of Leonardo, Rossi, AEG and the Company are referred to herein as a "Party" and collectively as the "Parties."

WHEREAS, the Parties entered into that certain License Agreement effective as of October 26, 2012 (the "Agreement"), and desire to amend the Agreement in certain respects. Capitalized terms used herein without definition have the respective meanings set forth in the Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Amendment. The Agreement is hereby amended as follows:

A. Section 3.2(a) of the Agreement is hereby amended to delete the fourth sentence in its entirety and replace it with the following:

"The Plant will be available for Validation and delivery on April 30, 2013 (unless otherwise agreed in writing by the Company and Leonardo) and will be delivered to the location specified by the Company, at Leonardo's expense, within thirty Business Days following Validation."

B. Section 4 of the Agreement is hereby amended to delete the second and third sentences of Section 4 in their entirety and to replace them with the following:

"The Validation will be made in the factory of Leonardo in Ferrara, Italy on April 30th and May 1st 2013 (unless otherwise agreed in writing by the Company and Leonardo)." "Validation" will be deemed successful and achieved when the expert responsible for such validation ("ERV") certifies that the performance standards for the Plant set forth in Exhibit A to this Amendment have been met.

C. Section 16.7 of the Agreement is hereby amended to delete it in its entirety and replace it with the following:

16.7 Assignment. Other than the Company's right to sublicense as provided in Section 1, neither Leonardo nor Rossi, nor the Company, shall assign or otherwise transfer any of its rights, or delegate or otherwise transfer any of its obligations or performance under this Agreement, in each case whether voluntarily, involuntarily, by operation of law or otherwise, without the other party's prior written consent; provided that all Parties hereby consent to the assignment and transfer of this Agreement to one or more subsidiaries of the Company that are directly or indirectly wholly-owned by the Company. No delegation or other transfer will relieve

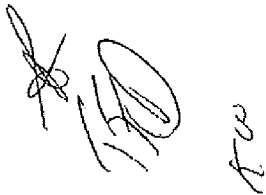
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Leonardo or Rossi or the Company of any of their obligations or performance under this Agreement. Any purported assignment, delegation or transfer in violation of this Section 16.7 is void. This Agreement is binding upon and inures to the benefit of the Parties and their respective permitted successors and assigns.

2. **No Other Changes.** Except as expressly provided herein, the Agreement remains in full force and effect and is ratified and confirmed by the parties to this Amendment.
3. **Counterparts.** This Amendment may be executed in counterparts, no one of which need contain the original signatures of all Parties, provided that one or more counterparts collectively shall contain the signatures of all Parties to this Amendment. Execution hereof by facsimile shall have the same force and effect as execution by original signature.

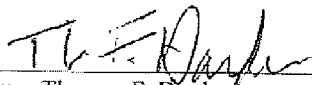
IN WITNESS WHEREOF, the Parties hereto intending to be legally bound hereby, have duly executed this License Agreement on the date first above written.

[Signature page follows]

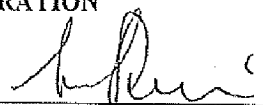



[Signature page to First Amendment to License Agreement]

INDUSTRIAL HEAT, LLC

By: 
Name: Thomas F. Darden
Title: Manager
Address for Notices:
111 East Hargett Street, Suite 300
Raleigh, NC 27601
Email:

LEONARDO CORPORATION

By: 
Name: ROSSI ANDREA
Title: CEO AND PRESIDENT
Address for Notices:
Andrea Rossi
1331 Lincoln Rd., Apt. 601
Miami Beach, FL 33139
Email: con333@libero.it

ROSSI

Andrea Rossi
Address for Notices:
1331 Lincoln Rd., Apt. 601
Miami Beach, FL 33139
Email: con333@libero.it

AEG:

AmpEnergio, Inc.

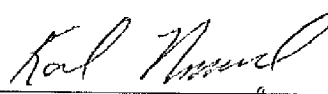
By: 
Name: Karl Winkler
Title: President
Address for Notices:
4110 Sunset Boulevard
Steubenville, Ohio 43952
Email: crgcassarino67@gmail.com

EXHIBIT A

Performance Standards for the Plant

[Handwritten signature]

tw

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4

Exhibit A

E-Cat Validation Protocol

Description: Two separate units ("Unit A" and "Unit B"), each composed of a different set of 30 individual E-Cat reactors, will be tested for a period of 24 hours, per the schedule below. Subsequently, a Hot Cat unit will be tested for a period of 15 hours, as described below. For purposes concerning validation achievement, only the performance of Unit A will be considered. Unit B and the Hot Cat are being tested solely for purposes of further research and development.

Location: Factory of Leonardo Corporation, Ferrara, Italy

Schedule:

Unit A will be tested 9:00 a.m. April 30th - 9:00 a.m. May 1st
Unit B will be tested 5:00 p.m. May 1st - 5:00 p.m. May 2nd
The Hot Cat unit will be tested 6:00 p.m. May 2nd - 9:00 a.m. May 3rd
The time of consideration will be the local time in Ferrara, Italy.

Unit A performance requirements: Unit A will be required to consistently produce energy that is at least six times greater than the energy it consumes (that is, a coefficient of performance "COP" of six or greater) and steam that is consistently 100 degrees Celsius or greater during a 24 hour test period.

Unit A test requirements: Prior to the test, the expert responsible for validation ("ERV") must provide Industrial Heat: 1) a list, including make, model and calibration, of all instruments used during the test; and 2) a detailed test protocol which describes, among other things, how the ERV will extract measurements and where he will place thermometers, manometers, flow meters and other such measuring instruments used during the test.

Activation and deactivation of the unit will occur before and after the 24-hour test period. Measurements outside the 24-hour test period will not be included for purposes of calculating the COP. The COP will be calculated as the ratio between generated energy and absorbed energy during the 24-hour period. In the event the individual reactors produce differing COPs, an average COP will be calculated and used for purposes of determining the COP.

The ERV will measure the flow of the heated fluid and the Delta T between the temperature of the fluid before and after the E-Cat reaction. The energy absorbed by the unit will be determined by measuring the electricity consumed. From these measurements, the ERV will determine the COP of the unit.

At the conclusion of the test, the ERV will produce a final report showing the results.

Handwritten signature and initials, possibly "TF" and "KW", in black ink.

**ASSIGNMENT AND ASSUMPTION OF
LICENSE AGREEMENT**

THIS ASSIGNMENT AND ASSUMPTION OF LICENSE AGREEMENT (this "Assignment") is made effective as of April 29, 2013, by and between **INDUSTRIAL HEAT, LLC**, a Delaware limited liability company (the "Assignor"), and **IPH INTERNATIONAL BV**, a Netherlands company (the "Assignee").

WHEREAS, the Assignor, **LEONARDO CORPORATION, ANDREA ROSSI, and AMPENERGO, INC.**, entered into that certain License Agreement dated as of October 26, 2012, as amended by that certain First Amendment to License Agreement dated as of April 26, 2013 (as amended, the "Agreement");

WHEREAS, the Assignor desires to assign the Agreement to the Assignee and the Assignee desires to accept such assignment and to assume all obligations of the Assignor under the Agreement;

WHEREAS, the Assignee is, indirectly, a wholly-owned subsidiary of the Assignor and Section 16.7 of the Agreement permits the assignment as provided herein;

NOW, THEREFORE, in consideration of the above premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Recitals and Exhibits. The Recitals set forth above are material and are incorporated into and made a part of this Assignment.
2. Assignment. The Assignor hereby transfers and assigns to the Assignee all right, title and interest of the Assignor in and to the Agreement.
3. Acceptance and Assumption. The Assignee hereby accepts the assignment of the Agreement and assumes all of Assignor's obligations under the Agreement.
4. Binding Effect. This Assignment shall inure to the benefit of, and be binding on, each of the parties hereto and their respective successors and assigns. This Assignment represents the entire agreement of the parties with respect to the subject matter hereof.
5. Counterparts. This Assignment may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.
6. Governing Law. This Assignment and any claim, controversy or dispute arising under or related to this Assignment shall be governed by and construed in accordance with the laws of the State of Florida.

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7. Further Assurances.

A. Assignor hereby agrees to provide to the Assignee such further assurances as may be reasonably requested by the Assignee at any time from and after the date hereof with respect to the Agreement and the assignment thereof to Assignee as provided herein, and, without limiting the foregoing, shall execute and deliver such affidavits, certificates and other instruments with respect to the Agreement as may be reasonably requested by the Assignee.

B. The Assignee hereby agrees to provide to Assignor such further assurances as may be reasonably requested by the Assignor at any time from and after the date hereof with respect to the Agreement and the assignment thereof to Assignee as provided herein, and, without limiting the foregoing, shall execute and deliver such affidavits, certificates and other instruments with respect to the Agreement as may be reasonably requested by the Assignor.

IN WITNESS WHEREOF, the Assignor and the Assignee have executed this Assignment effective the day and year first above written.

ASSIGNOR:

Industrial Heat, LLC

By: Thomas P. Darden
Thomas P. Darden
Manager

ASSIGNEE:

IPH International BV

By: IPH Management, LLC, Managing Director

By: Thomas P. Darden
Title: MANAGER

VALIDATION AGREEMENT

THIS VALIDATION AGREEMENT (this "Agreement"), is made and entered into as of April 29, 2013 by and among LEONARDO CORPORATION, a New Hampshire Corporation ("Leonardo"), ANDREA ROSSI ("Rossi"), Ruggero Giunti (the "Validation Agent") and IPH INTERNATIONAL B.V., a Netherlands company (the "Company"). Each of Leonardo, Rossi, Validation Agent, IP Attorney and the Company are referred to herein as a "Party" and collectively as the "Parties."

WHEREAS, Leonardo and/or Rossi are the sole owners of the patents, designs, trade secrets, technology, know-how (including all the knowledge necessary to produce thermal energy by means of apparatuses derived from the technology), products and business plans and all other intellectual property related directly or indirectly to energy production and conversion technologies and to the development, manufacture and sale of products using such technologies, including the Energy Catalyzer ("E-Cat") and the "Hot Cat" (collectively the "E-Cat Products"), the catalyzer formula (the "Catalyzer Formula") used to fuel the E-Cat and the "Hot Cat" and related energy production and conversion technologies (all of the foregoing being referred to herein collectively as the "E-Cat IP"), and Leonardo is the producer of certain components of such systems, all such E-Cat IP and E-Cat Products, including without limitation the 1MW E-Cat Product and the "Hot Cat," being described or referenced in more detail in the License Agreement, as defined below, and in the E-Cat IP and the other materials to be delivered to the Validation Agent pursuant to Section 1(a) below, and

WHEREAS, Leonardo, Rossi and Ampenergo, Inc. ("AEG") have granted to Industrial Heat, LLC an exclusive license to utilize the E-Cat IP and to manufacture and sell the E-Cat Products as set forth in that License Agreement among them dated as of October 26, 2012, together with any amendments thereto (the "License Agreement"), and

WHEREAS, Industrial Heat, LLC has assigned its interest under the License Agreement to the Company;

WHEREAS, the Validation Agent has agreed to provide certain services to Rossi, Leonardo and the Company in connection with the License Agreement as provided herein;

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Validation

- (a) No later than five (5) Business Days following successful "Validation of the Plant" as provided in Section 4 of the License Agreement, Leonardo and Rossi shall deliver to the Validation Agent, to be held in escrow and delivered to the Company or to Leonardo, as the case may be, on the terms and conditions set forth in this Agreement, the E-Cat IP and all other documents, manuals, technical data, formulae and materials necessary or useful to enable the Company to (i) operate the 1MW E-Cat Unit and the "Hot Cat" as described in the E-Cat IP and the other materials delivered to the Validation Agent, (ii) make E-Cat Products, and (iii) exploit the E-

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Cat IP as contemplated by the License Agreement (collectively, the "Technical Information"); provided, however, that the Technical Information shall not include the Catalyzer Formula.

- (b) The Validation Agent shall review the Technical Information for the purpose of verifying whether or not, in the professional judgment of the Validation Agent, the Technical Information includes all items and materials that appear to be reasonably necessary or useful to enable the Company to build and operate the E-Cat Products (including a 1MW E-Cat Unit and a "Hot Cat" Unit), exclusive of the Catalyzer Formula. If the Validation Agent verifies that the Technical Information does include all information and materials that, in their professional judgment, appear reasonably necessary or useful to enable the Company to build and operate the E-Cat Products, exclusive of the Catalyzer Formula, the Validation Agent shall deliver to Rossi, Leonardo, the Company and Henry W. Johnson, as Escrow Agent under that Escrow Agreement among Rossi, Leonardo, the Company and the Escrow Agent dated as of April 29, 2013 (the "Escrow Agreement"), an executed notice of verification in the form attached hereto as Exhibit A (the "IP Verification Notice") as soon as possible following verification, but in any event within thirty (30) Business Days following delivery of the Technical Information under Section 1(a) hereof (the "Verification Deadline"). For purposes hereof, the term "Business Day" shall mean any day other than a day on which commercial banks in New York, New York, are authorized or required by law to close.
- (c) The Validation Agent shall exercise due care, skill and diligence consistent with reasonable professional and industry standards applicable to it in performing its obligations under this Agreement.
- (d) The Validation Agent shall hold the Technical Information in escrow and deliver all of the Technical Information in their possession (i) to the Company immediately upon receipt of notice from the Escrow Agent that the Escrow Deposit (as defined in the Escrow Agreement) has been delivered to Rossi and/or Leonardo, or (ii) to Leonardo in the event the Validation Agent has not delivered the IP Verification Notice by the Verification Deadline. The Validation Agent shall use an internationally recognized and reliable private overnight or next-day commercial delivery service to send any Technical Information that the Validation Agent is required to transfer or deliver under this Agreement, provided that the Validation Agent is not responsible for any damage to or loss or destruction of such Technical Information while in the custody of such delivery service.
- (e) The Validation Agent shall not retain any copies of any of the Technical Information in any form following delivery of the Technical Information by the Validation Agents as provided in Section 1(d) above, and any such copies that may then be in the possession or control of the Validation Agent shall be destroyed concurrently with any such delivery. The Validation Agent shall provide a certification of compliance with this section promptly upon completion of his services as provided herein.
- (f) The Validation Agent shall have no liability to any of the parties hereto for any actions taken or not taken by him as provided herein, except with respect to matters constituting gross negligence, fraud, bad faith or willful misconduct. So long as the

foregoing standard of conduct is met by a Validation Agent, such Validation Agent shall have no liability on account of actions or inactions pursuant to or in connection with this Agreement.

- (g) The Validation Agent shall be entitled to fees from Leonardo, Rossi and the Company as provided in Exhibit B attached hereto. The Validation Agent shall also be entitled to reimbursement for their reasonable expenses incurred in connection with their performance of this Agreement. Leonardo, Rossi and the Company shall be jointly and severally liable to the Validation Agent for the payment of such fees and expenses; provided, however, that among themselves, Leonardo and Rossi, on the one hand, shall be responsible for fifty percent (50%) of such fees and expenses, and the Company, on the other hand, shall be responsible for fifty percent (50%) of such fees and expenses.

2. Confidentiality.

- (a) The Validation Agent shall maintain and protect the Technical Information as valuable proprietary and confidential information, using at least the same high level of care that he would use to protect his own valuable confidential information or trade secrets and in no event less than a reasonable degree of care. Except as and to the extent expressly required or permitted by this Agreement or otherwise authorized in writing by Rossi, Leonardo and the Company, the Validation Agent shall not:
- (i) disclose the existence of this Agreement or the nature or any details of his services hereunder, or
 - (ii) disclose, transfer, make available or provide access to the Technical Information or contents of this Agreement to any person other than authorized employees of the Validation Agent, each of whom shall have been advised of the confidential nature of such information and shall have agreed in writing to hold the Technical Information in strict confidence as provided herein and to use such Technical Information only for purposes of performance by the Validation Agent of his duties on this Agreement, with Validation Agent to be responsible for any breach of this Agreement by his own employees; or
 - (iii) use the Technical Information in any manner or permit any person to use the Technical Information or take any action relating to the Technical Information, except as expressly provided for in this Agreement.
- (b) Notwithstanding Section 2(a) or any other provisions of this Agreement, if the Validation Agent is legally compelled to disclose or release any information or materials comprising or relating to the Technical Information or the contents of this Agreement, the Validation Agent shall give prompt written notice of this fact to Rossi, Leonardo and the Company unless such notice is prohibited by applicable Law, and shall reasonably cooperate with Rossi, Leonardo and the Company as they may request (at the expense of Rossi, Leonardo and the Company) in undertaking to maintain the confidentiality of the Technical Information or to prohibit its wrongful use or disclosure.

3. Representations and Warranties.

(a) The Validation Agent represents and warrants that:

- (i) other than being a party to this Agreement, he is an independent third party and not an affiliated, associated or related entity to Rossi or Leonardo;
- (ii) he has the right and capacity to enter into this Agreement and fully perform all of his obligations and provide the services provided for under this Agreement; and
- (iii) all performance by or on behalf of the Validation Agent under this Agreement shall be conducted in good faith with no less than a reasonable degree of care.

(b) Leonardo and Rossi, jointly and severally, each hereby represents and warrants:


- (i) Leonardo and/or Rossi are the sole and exclusive legal and beneficial owners of the entire right, title, and interest in and to the Technical Information.
- (ii) the Technical Information constitutes all of the intellectual property necessary or useful in order for the Company to develop, manufacture, make, have made, use, have used, offer to sell, have offered for sale, sell, have sold, import, and have imported all the products deriving from the E-Cat IP.

4. Covenants and Agreements.

Leonardo and Rossi hereby grant to the Validation Agent all rights and licenses necessary to allow the Validation Agent to lawfully perform his obligations under this Agreement. The Validation Agent agrees, however, that he shall not acquire any right, title or interest in the Technical Information or any other confidential information disclosed to the Validation Agent in connection with this Agreement, except for the limited right to use such information solely to perform the duties of the Validation Agent as specified herein.

5. Miscellaneous.

- 5.1 **Notices.** All notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing and shall be given personally, or sent by certified or registered mail, postage prepaid, return receipt requested, or sent for next Business Day delivery by Federal Express or another generally recognized courier service. Any such notice shall be deemed to have been given (a) when received, if delivered in person, or (b) on the next Business Day, if sent by prepaid Federal Express or other generally recognized courier service for next Business Day deliver, or (c) three (3) Business Days following the mailing thereof, if mailed by registered or certified first class U.S. mail, postage prepaid, return receipt requested, in each such case to the respective addresses of the parties as set forth on the signature pages hereto (or to such other address or addresses as a party may have advised the others by notice given in compliance with this section). A copy of all notices shall also be sent via e-mail to the e-mail addresses indicated on the signature pages hereto, but the failure to give any such e-mail notice shall not affect notice otherwise validly given as provided in this section.

- 5.2 **Assignment.** No party to this Agreement shall assign or otherwise transfer any of its rights, or delegate or otherwise transfer any of its obligations or performance under this Agreement, in each case whether voluntarily, involuntarily, by operation of law or otherwise, without the other party's prior written consent.
- 5.3 **Entire Agreement.** This Agreement (including the Exhibits and Schedules hereto) and the other agreements, certificates and documents specifically incorporated herein by reference thereto, or delivered pursuant to this Agreement contain the entire agreement among the parties with respect to the transactions described herein, and supersede all prior agreements, written or oral, with respect thereto.
- 5.4 **Waivers and Amendments.** This Agreement may be amended, superseded, canceled, renewed or extended, and the terms hereof may be waived, only by a written instrument signed by the Parties or, in the case of a waiver, by the Party waiving compliance. No delay on the part of any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof.
- 5.5 **Governing Law and Dispute Resolution.** This Agreement shall be construed and enforced under the laws of the State of Florida without regard to the conflicts of law principles thereof that would defer to or result in the application of the substantive laws of another jurisdiction. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, may be asserted or litigated in any State or Federal Court sitting in Miami, Florida, USA, which the parties agree shall have jurisdiction to hear any such matter, without limiting any other jurisdictions where such matter may be properly heard.
- 5.6 **Force Majeure.** Neither Party shall be liable for any delay in the performance of its obligations hereunder to the extent such delay is due to events beyond its reasonable control including without limitation, acts of God, fire, flood or other natural catastrophe, acts of any government in its sovereign capacity (including but not limited to any rule, law, order, regulation or direction thereof, or of any department, agency or commission thereof), national emergencies, insurrections, riots, war or hostile activities, quarantine restrictions, embargoes, launch failures, strikes, lockouts, work stoppages or other labor difficulties and sun eclipse or solar outages; provided, that notice thereof is given to the other Party within thirty (30) days of the later to occur of such event and the date that the Party being affected by such event obtains actual knowledge of such event.
- 5.7 **Further Assurances.** Each Party shall do and execute, or arrange for the doing and executing of, each necessary act, document and thing to implement this Agreement.
- 5.8 **No Third-Party Beneficiaries.** This Agreement is for the sole benefit of the parties hereto and their respective permitted successor and [permitted] assigns and nothing herein, express or implied, is intended to or shall confer on any
- 

other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement

- 5.9 **Variations in Pronouns.** All pronouns and any variations thereof refer to the masculine, feminine or neuter, singular or plural, as the context may require.
- 5.10 **Headings, References.** The headings in this Agreement are for reference only, and shall not affect the interpretation of this Agreement. All references herein to Sections, subsections, clauses, Exhibits, and Schedules shall be deemed references to such parts of this Agreement, unless the context shall otherwise require.
- 5.11 **Exhibits and Schedules.** The following Exhibits and Schedules are attached to this Agreement and incorporated herein:

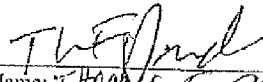
[Signatures on next page]

A handwritten signature in black ink, appearing to be a stylized 'J' or 'G' followed by a surname.

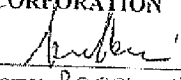
IN WITNESS WHEREOF, the Parties hereto intending to be legally bound hereby, have duly executed this License Agreement on the date first above written.

IPH INTERNATIONAL B.V.

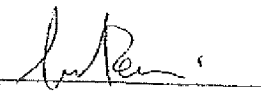
By: IPH Management, LLC, Managing Director

By: 
Name: THOMAS F. O'HARDEN
Title: MANAGER
Address for Notices:
111 East Hargett Street, Suite 300
Raleigh, NC 27601
Email: tdarden@industrialheat.co

LEONARDO CORPORATION

By: 
Name: ROSSI ANDREA
Title: CEO AND PRESIDENT
Address for Notices:
Andrea Rossi
1331 Lincoln Rd., Apt. 601
Miami Beach, FL 33139
Email: con333@libero.it

ROSSI


Andrea Rossi
Address for Notices:
1331 Lincoln Rd., Apt. 601
Miami Beach, FL 33139
Email: con333@libero.it

VALIDATION AGENT:


Ruggero Giunti


Address for Notices:

Via Forlì 14
57016 Rosignano Solvay (Livorno)
Italy


IN WITNESS WHEREOF, the Parties hereto intending to be legally bound hereby, have duly executed this License Agreement on the date first above written.

IPH INTERNATIONAL B.V.


By: IPH Management, LLC, Managing Director

By: 
Name: THOMAS F. DARDEN
Title: MANAGER
Address for Notices:
111 East Hargett Street, Suite 300
Raleigh, NC 27601
Email: tdarden@industrialheat.co


LEONARDO CORPORATION

By: 
Name: ANDREA ROSSI
Title: CEO AND PRESIDENT
Address for Notices:
Andrea Rossi
1331 Lincoln Rd., Apt. 601
Miami Beach, FL 33139
Email: con333@libero.it

ROSSI


Andrea Rossi
Address for Notices:
1331 Lincoln Rd., Apt. 601
Miami Beach, FL 33139
Email: con333@libero.it

VALIDATION AGENT:


Ruggero Giunti

Address for Notices:

Via Forlì 14
57016 Rosignano Solvay (Livorno)
Italy

EXHIBIT A

IP Verification Notice

Leonardo Corporation
1331 Lincoln Road, Apartment 601
Miami Beach, Florida 33139

IPH International B.V.
111 East Hargett Street, Suite 300
Raleigh, North Carolina 27601

Henry W. Johnson
7900 Glades Road, Suite 530
Boca Raton, Florida 33434

IP VERIFICATION NOTICE

DATED: _____, 2013

Ruggero Giunti, as the Validation Agent under that certain Validation Agreement dated as of April 29, 2013, together with any amendments thereto, by and among Leonardo Corporation, Andrea Rossi, IPH International B.V. and the undersigned (the "Validation Agreement") (all capitalized terms used herein and not otherwise defined shall have the same meanings assigned to them in the Validation Agreement), and pursuant thereto does hereby certify to IPH, Leonardo and Rossi as follows:

The Technical Information includes all information and materials that, in the professional judgment of the Validation Agent, appear reasonably necessary or useful to enable the Company to build and operate the E-Cat Products, exclusive of the Catalyzer Formula.

WITNESS the following signatures as of the date first above written.

VALIDATION AGENT:

Ruggero Giunti

[Handwritten signature]
1/1/13

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EXHIBIT B

Dott. Ing. Ruggero Giunti
 Albo dell'Ordine degli Ingegneri della Provincia di Livorno n. 1476
 Via Forlì n. 14
 57016 Rosignano Solvay (LI)
 Codice Fiscale GNTRGR59C311192N
 Cell. 0039 340 10 89 204

Egregia Azienda,

Dopo colloquio intercorso con il Vs. Ing. Fabiani, esplicativo al fine del mio eventuale incarico professionale da parte Vs., Vi sottopongo la seguente offerta di collaborazione:

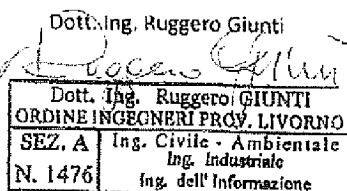
La collaborazione consta in offrire la mia opera come Ingegnere incaricato della revisione della documentazione tecnica riguardante il modello/prototipo MW1-Ecat al fine di verificare se completa ed in grado di fornire esaustive informazioni al fine della duplicazione del suddetto prototipo (ad esclusione del segreto industriale interno ai "reattori").

Tale revisione comporterà una relazione nella quale indicherò se la documentazione presa in esame risulta essere esaustiva o necessita di documentazione aggiuntiva (specificando la tipologia della documentazione mancante).

In tal caso rimarrò a Vs. disposizione per esaminare la nuova documentazione e redigere la dichiarazione di completezza della documentazione tecnica a me consegnata che io trasmetterò direttamente al Vs. Cliente al momento della Vs. richiesta.

Per tale opera professionale, comprensiva di ore/lavoro al fine dell'esame della documentazione e delle varie relazioni e dichiarazioni, sono qui a richiedere un compenso di 2.000,00 (Duemila) Euro al netto delle tasse.

Nell'attesa dell'accettazione da parte Vs. della presente offerta, vogliate accettare i miei più cordiali saluti.

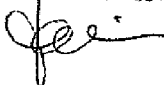


X ACCETTAZIONE E INCARICO: AUTORIZZAZIONE



E.F.A. srl
 Sede Legale: Viale G. Mazzini 55
 cap. 00185 - Roma
 Stabilimento: Via del Commercio 38
 cap. 44123 Ferrara
 C.F./P.IVA 02826711208

FABIANI



E.F.A. S.R.L.
 Amministratore Unico
 (Dott.ssa Maddalena Pascucci)

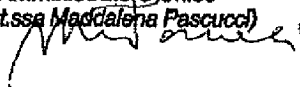



EXHIBIT A

IP Verification Notice

Leonardo Corporation
1331 Lincoln Road, Apartment 601
Miami Beach, Florida 33139

IPH International B.V.
111 East Hargett Street, Suite 300
Raleigh, North Carolina 27601

Henry W. Johnson
7900 Glades Road, Suite 530
Boca Raton, Florida 33434

IP VERIFICATION NOTICE


DATED: MAY 10, 2013

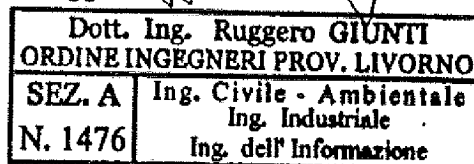
Ruggero Giunti, as the Validation Agent under that certain Validation Agreement dated as of April 29, 2013, together with any amendments thereto, by and among Leonardo Corporation, Andrea Rossi, IPH International B.V. and the undersigned (the "Validation Agreement") (all capitalized terms used herein and not otherwise defined shall have the same meanings assigned to them in the Validation Agreement), and pursuant thereto does hereby certify to IPH, Leonardo and Rossi as follows:

The Technical Information includes all information and materials that, in the professional judgment of the Validation Agent, appear reasonably necessary or useful to enable the Company to build and operate the E-Cat Products, exclusive of the Catalyzer Formula.

WITNESS the following signatures as of the date first above written.

VALIDATION AGENT:


Ruggero Giunti



ESCROW AGREEMENT

THIS ESCROW AGREEMENT (the "Agreement") is made as of April 29, 2013 by and among IPH International B.V., an entity organized under the laws of the Netherlands ("IPH"), Leonardo Corporation, a New Hampshire corporation ("Leonardo"), Andrea Rossi ("Rossi"); and Henry W. Johnson, attorney-at-law (the "Escrow Agent").

RECITALS:

A. This Agreement is entered into in connection with acquisition and licensing of certain property and rights by IPH pursuant to that certain License Agreement dated as of October 26, 2012, together with any amendments thereto, by and among Industrial Heat, LLC ("Industrial"), Leonardo, Rossi and Ampcnergo, Inc. (the "License Agreement"). All capitalized terms used in this Agreement and not otherwise defined shall have the same meanings assigned to them in the License Agreement.

B. In the License Agreement, Industrial agreed to deposit the sum of \$10,000,000 with an agreed upon escrow agent, to be disbursed as provided in the License Agreement and pursuant to a mutually agreed upon Escrow Agreement.

C. Industrial has assigned its rights and obligations under the License Agreement to IPH.

D. The parties have agreed to enter into this Escrow Agreement as contemplated by the provisions of the License Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth below and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

ARTICLE I ESCROW

1.1 Escrow Deposit. Concurrently with the execution of this Agreement, IPH shall deliver to Escrow Agent, pursuant to the provisions of the License Agreement, the sum of Ten Million and 00/100 Dollars (\$US 10,000,000.00) (the "Escrow Deposit") in the form of immediately available funds pursuant to the wire transfer instructions attached as Exhibit A. Upon receipt of the Escrow Deposit, Escrow Agent shall transmit a written confirmation of receipt thereof to IPH, Leonardo and Rossi. The Escrow Deposit shall be segregated from other assets of the Escrow Agent and held by the Escrow Agent in accordance with the terms and conditions hereinafter set forth. The Escrow Deposit shall be deemed for all purposes to have been delivered by IPH to the Escrow Agent to be held subject to the terms and conditions set forth in this Agreement. Subject to the provisions of this Agreement, the Escrow Agent shall invest the Escrow Deposit in a non-interest bearing account at Bank of America, N.A in the name of Escrow Agent. The Escrow Deposit shall for all purposes be considered property of IPH unless and until delivered to Leonardo as provided herein and in no event shall any part of the Escrow

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Deposit be delivered to any party other than IPH except as explicitly provided under Section 1.2(a), Section 2.4 or Section 2.5 of this Agreement.

1.2 Disbursement of the Escrow Deposit. Unless otherwise directed in a joint written instruction from IPH, Leonardo and Rossi, the Escrow Deposit shall be held and disbursed by Escrow Agent, subject to and in accordance with the terms of this Agreement, as follows:

(a) Upon receipt of a written IP Verification Notice in the form attached hereto as Exhibit B executed by Ruggero Giunti (the "Validation Agent") on or before May 31, 2013, Escrow Agent shall promptly deliver the Escrow Deposit to Leonardo and shall deliver written notice to the Validation Agent, IPH and Rossi stating that the Escrow Deposit has been delivered to Rossi.

(b) In the event that the Validation Agent does not deliver an IP Verification Notice to the Escrow Agent as provided in Section 1.2(a) on or before May 31, 2013, Escrow Agent shall deliver the Escrow Deposit to IPH or as otherwise directed by IPH in writing and shall deliver written notice to Leonardo and Rossi that the Escrow Deposit has been so delivered.

(c) Unless otherwise directed in writing by the recipient, delivery by Escrow Agent of any funds as required pursuant to this Agreement shall be in US Dollars through a wire transfer of immediately available funds, that (i) if to IPH, shall be in accordance with the wire transfer instructions attached hereto as Exhibit C and (ii) if to Leonardo, shall be in accordance with the wire transfer instructions attached hereto as Exhibit D.

ARTICLE II RIGHTS AND RESPONSIBILITIES OF ESCROW AGENT

2.1 Duties. Escrow Agent shall have no responsibility except for the performance of its expressed duties under this Agreement and no additional duties shall be inferred from this Agreement or implied by this Agreement. The permissive right or power to take any action shall not be construed as a duty to take action under any circumstances and Escrow Agent, its employees and agents, shall not be liable to anyone by reason of any error of judgment or for any act done or step taken or omitted by Escrow Agent, or for any mistake of fact or law or anything that Escrow Agent may do or refrain from doing in connection with this Agreement, unless caused by or arising out of Escrow Agent's gross negligence, bad faith or willful misconduct. Escrow Agent may consult with duly licensed United States legal counsel of its choosing and shall be fully protected in any action taken in good faith in accordance with advice of such counsel.

2.2 Reliance. Escrow Agent may rely and shall be protected in relying or refraining from acting on any instrument reasonably believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties or their designees.

2.3 Actions. Escrow Agent shall not be required to institute or defend any action involving any matters referred to in this Agreement or which affect it or its duties or liabilities under this Agreement or the Escrow Deposit unless or until requested to do so by Leonardo, Rossi or IPH and then may do so in its sole discretion only upon receiving full indemnity, in form and

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substance satisfactory to Escrow Agent, against any and all claims, liabilities and expenses in relation such action. Escrow Agent is expressly authorized, at its sole discretion, to obey and comply with all writ, orders, judgments or decrees made or entered in connection with the Escrow Deposit by any United States federal or state court.

2.4 Disputes. In the event of any dispute among or between any of the parties in connection with Escrow Agent or its duties, or Escrow Agent becomes involved in or is threatened with litigation by reason of this Agreement, Escrow Agent may at its election: (a) continue to hold the Escrow Deposit and not distribute the Escrow Deposit except in accordance with Section 1.2 of this Agreement; (b) act or refrain from acting in respect to any matter referred to in this Agreement in full reliance upon and by and with the advice of counsel selected by it and shall be fully protected in so acting or in refraining from acting upon the advice of such counsel; (c) continue to hold the Escrow Deposit until it receives a final order by a court of competent jurisdiction directing the disposition of the Escrow Deposit; (d) deposit the Escrow Deposit with the Clerk of Court in the county in which any litigation is pending; (e) resign as provided under Section 2.5 below; or (f) commence an interpleader action in a court of competent jurisdiction and pay the Escrow Deposit to such court. Upon Escrow Agent doing the actions permitted under either subsection (c), (d), (e) or (f) above, its duties, responsibilities, and liabilities with respect to the Escrow Deposit shall terminate.

2.5 Resignation Upon thirty (30) days' written notice to IPH, Leonardo and Rossi, Escrow Agent may resign from its duties under this Agreement. From and after the expiration of such notice, the only obligation of the Escrow Agent shall be to deliver the Escrow Deposit to a successor escrow agent designated in writing by IPH, Leonardo and Rossi, against a written acceptance by such successor of the duties of the Escrow Agent as provided. Thereafter, references under this Agreement to the Escrow Agent shall refer to such successor. In the event of the resignation of the Escrow Agent, (a) IPH, Leonardo and Rossi shall mutually appoint a successor escrow agent who, upon receipt of the Escrow Deposit, shall assume the obligations and duties of the Escrow Agent under this Agreement, or (b) if IPH, Leonardo and Rossi are unable to agree upon a successor, then Escrow Agent may deliver the Escrow Deposit to the Clerk of Court, Palm Beach County, Florida and upon either of such events, Escrow Agent shall be relieved of further duties and liabilities under this Agreement.

2.6 Indemnity. IPH, Leonardo and Rossi, jointly and severally, agree to indemnify and hold Escrow Agent harmless against any costs, expenses, damages or judgments (including reasonable attorneys' fees and expenses, costs of investigation, court costs, or costs of any interpleader action which Escrow Agent may file in its sole discretion), incurred by Escrow Agent resulting from any and all judicial, non-judicial or administrative actions, hearings or processes, claims, demands, causes of action, settlements or liabilities, for any act or failure to act in connection with this Agreement, excepting, however, Escrow Agent's gross negligence, bad faith or willful misconduct. Escrow Agent shall not be obligated to risk its own funds in the administration of the Escrow Deposit. Escrow Agent need not take any action under this Agreement which may involve it in any expense or liability until indemnified to its satisfaction for any expense or liability it reasonably believes it may incur. The indemnification obligations of IPH, Leonardo and Rossi shall survive Escrow Agent's resignation or removal, or the termination of this Agreement.

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2.7 Compensation and Expenses of Escrow Agent. Escrow Agent shall be entitled to fees in the amount of \$5,000.00 and to reimbursement for the reasonable expenses actually incurred by it in connection with its duties under this Agreement. All such fees and expenses shall be invoiced periodically by Escrow Agent and shall be an equally shared obligation of IPH on the one hand and Rossi and Leonardo, on the other.

ARTICLE III MISCELLANEOUS

3.1 Entire Agreement. This Agreement constitutes the entire agreement among the parties in connection with the Escrow Deposit.

3.2 Notices. Any notice required or allowed under this Agreement shall be in writing and shall be deemed given when delivered personally, mailed by certified mail, return receipt requested (postage prepaid), or sent by an overnight delivery service (charges prepaid), and addressed to the following:

If to Rossi:

Andrea Rossi
1331 Lincoln Road, Apartment 601
Miami Beach, Florida 33139

With a copy (which shall not constitute notice) to:

Henry W. Johnson
7900 Glades Road, Suite 530
Boca Raton, Florida 33434

If to Leonardo:

Leonardo Corporation
1331 Lincoln Road, Apartment 601
Miami Beach, Florida 33139

If to IPH:

IPH International B.V.
111 East Hargett Street, Suite 300
Raleigh, North Carolina 27601

With a copy (which shall not constitute notice) to:

Handwritten signature and initials, possibly "A" and "IPH", in black ink.

Thomas C. Watkins, Esq.
230 North Elm Street, Suite 1500
Greensboro, North Carolina 27401

If to Escrow Agent:

Henry W. Johnson
7900 Glades Road, Suite 530
Boca Raton, Florida 33434

If to Validation Agent:

Ruggero Giunti
Via Forli 14
57016 Rosignano Solvay (Livorno)
Italy

or to any other address as the parties may from time to time designate in writing by notice as given herein.

3.3 Assignment. This Agreement and the rights and duties hereunder shall be binding upon and inure to the benefit of the parties and the successors and permitted assigns of each of the parties. No rights, obligations or liabilities hereunder shall be assignable by any party without the prior written consent of the other party.

3.4 Amendment. This Agreement may be amended or modified only by an instrument in writing duly executed by Escrow Agent, IPH, Leonardo and Rossi.

3.5 Waivers. Any waiver by any party of any breach of or failure to comply with any provision of this Agreement by any other party shall be in writing and shall not be construed as, or constitute, a continuing waiver of such provision, or a waiver of any other breach of, or failure to comply with, any other provision of this Agreement.

3.6 Construction. This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Florida without giving effect to the choice of law provisions thereof that may direct the application of the laws of another jurisdiction. Any proceedings to enforce this Agreement shall be commenced in a court of competent jurisdiction in the State of Florida. The parties agree not to assert or interpose any defenses, and do hereby waive the same, to the conferral of personal jurisdiction and venue by such court in any suit, action or proceeding. The headings in this Agreement are solely for convenience of reference and shall not be given any effect in the construction or interpretation of this Agreement.

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3.7 Third parties. Nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any person or entity other than IPH, Escrow Agent, Leonardo and Rossi, and their respective permitted successors and assigns, any rights or remedies under, or by reason of, this Agreement.

3.8 Attorneys Fees/Costs of Suit. If either IPH, Leonardo or Rossi institutes a legal action against the other with respect to the Escrow Deposit, the prevailing party shall be entitled to its attorneys' fees and costs of suit, including the cost of any appeals.

3.9 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed any original and all of which together shall constitute a single instrument.

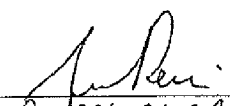
3.10 Severability. If any provision in this Agreement is held to be invalid, illegal, or unenforceable, this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein, provided that the provision held to be invalid, illegal, or unenforceable is not central to the purpose of this Agreement to provide the terms and conditions for the holding and disbursement of the Escrow Deposit in accordance with the provisions of the License Agreement.

3.11 Contract Interpretation. The parties acknowledge that both parties have caused this Agreement to be reviewed and approved by legal counsel of their own choice, or have consciously chosen not to seek such counsel. This Agreement has been specifically negotiated, and any presumption that an ambiguity contained in this Agreement shall be construed against the party that caused this Agreement to be drafted shall not apply to the interpretation of this Agreement.

3.12 Termination. This Agreement shall terminate upon the disbursement of all of the Escrow Deposit in accordance with the terms hereof.

IN WITNESS WHEREOF, IPH, Escrow Agent, Leonardo and Rossi have executed this Agreement as of the day and year first written above.

LEONARDO CORPORATION


By: 
Name: ROSSI ANDREA
Title: CEO AND PRESIDENT

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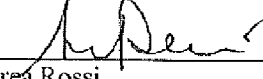
IPH INTERNATIONAL B.V.

By: IPH Management, LLC, Managing Director

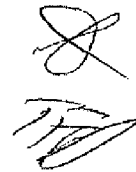

By: 

Name: THOMAS F. DARDEN

Title: MANAGER


Andrea Rossi

Henry W. Johnson
Escrow Agent

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EXHIBIT A

Escrow Agent Wire Transfer Instruction

Bank of America
1401 N. University Drive
Coral Springs, Florida

ABA #: 026009593
SWIFT CODE: BOFAUS3N

For Further Credit to:
Law Office Henry W. Johnson
WIRE TRANSFER IOTA ACCOUNT
Account No. 229048234635

A handwritten signature in black ink, appearing to be 'LHJ' or similar, located at the bottom right of the page.

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EXHIBIT B

IP Verification Notice

Leonardo Corporation
1331 Lincoln Road, Apartment 601
Miami Beach, Florida 33139

IPH International B.V.
111 East Hargett Street, Suite 300
Raleigh, North Carolina 27601

Henry W. Johnson
7900 Glades Road, Suite 530
Boca Raton, Florida 33434

IP VERIFICATION NOTICE

DATED: _____, 2013

Ruggero Giunti, as the Validation Agent under that certain Validation Agreement dated as of April 29, 2013, together with any amendments thereto, by and among Leonardo Corporation, Andrea Rossi, IPH International B.V. and the undersigned (the "Validation Agreement") (all capitalized terms used herein and not otherwise defined shall have the same meanings assigned to them in the Validation Agreement), and pursuant thereto does hereby certify to IPH, Leonardo and Rossi as follows:

The Technical Information includes all information and materials that, in the professional judgment of the Validation Agent, appear reasonably necessary or useful to enable the Company to build and operate the E-Cat Products, exclusive of the Catalyzer Formula.

WITNESS the following signatures as of the date first above written.

VALIDATION AGENT:

Ruggero Giunti

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EXHIBIT C

IPH Wire Transfer Instruction

First Citizens Bank
239 Fayetteville Street
Raleigh, NC 27601
Routing - 053100300
Acct. # - 000863041836

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EXHIBIT D

Leonardo Wire Transfer Instruction

Leonardo Corporation
c/o TD Bank, Lincoln Road, Miami Beach, FL 33139
Account # 4255412937
Swift code NRTHUS33 4255412937
Routing # 067014822

Leonardo Corporation
1331 Lincoln Rd., Ste 601
Miami Beach, FL 33139

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IPH INTERNATIONAL B.V.

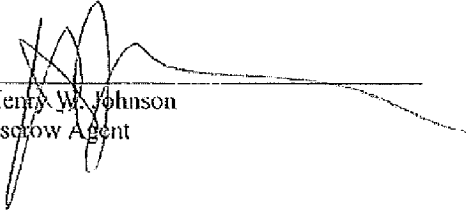
By: IPH Management, LLC, Managing Director

By: _____

Name: _____

Title: _____

Andrea Rossi



Henry W. Johnson
Escrow Agent

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CERTIFICATE

The undersigned, **LEONARDO CORPORATION**, a New Hampshire corporation ("Leonardo"), and **ANDREA ROSSI** ("Rossi") each hereby certifies to **IPH INTERNATIONAL, B.V.**, an entity organized under the laws of The Netherlands (the "Company"), that the representations and warranties of Leonardo and Rossi contained in the License Agreement dated October 26, 2012, by and between Leonardo, Rossi, Industrial Heat, LLC and AmpEnergio, Inc., as amended (the "Agreement"), based on a current review of such representations and warranties, are true and correct as of the date of this Certificate, as if made on the date hereof, and further, that such representations and warranties will remain true and correct on and as of the date US \$10,000,000 is delivered to the Escrow Agent as provided in Section 3.2(b) of the Agreement. Capitalized terms used herein without definition shall have the meanings given them in the Agreement.

IN WITNESS WHEREOF, the undersigned has caused this certificate to be executed as of this 29th day of April, 2013.

LEONARDO CORPORATION

By: ANDREA ROSSI

Name: [Signature]

Title: CEO AND PRESIDENT

ROSSI

[Signature]
Andrea Rossi

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