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9 **IN THE UNITED STATES DISTRICT COURT**
10 **FOR THE DISTRICT OF ARIZONA**

11 SmartTray International, LLC,
12 an Arizona limited liability company,
13 **Plaintiff,**
14 vs.
15 Astronics Advanced Electronics Systems
16 Corp., a Washington corporation,
17 **Defendants.**

Case No.:

COMPLAINT
(Jury Trial Requested)

18
19 Plaintiff SmartTray International, LLC (“SmartTray”) brings this Complaint against
20 Defendant Astronics Advanced Electronics Systems Corporation (“AES”) and hereby alleges as
21 follows:
22

23 **PARTIES, JURISDICTION, AND VENUE**

24 1. SmartTray is an Arizona limited liability company authorized to do business in the
25 State of Arizona.
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1 10. In exchange for the exclusive Patent License and the right to sublicense
2 SmartTray’s Licensed IP, AES was obligated to market and sell the Products, encourage
3 manufacturers to integrate the Products, and allocate engineering and certification resources to
4 integrate power with existing Products, amongst other obligations.

5
6 11. The Licensing Agreement outlined a two-prong payment structure: (1) the
7 exclusive license fee and (2) royalties.

8 12. In exchange for the exclusive Patent License, AES agreed to pay SmartTray an
9 exclusive license fee of \$3,000,000.00 (the “Exclusive License Fee”).

10 13. AES paid \$300,000.00 of the Exclusive License Fee to SmartTray prior to
11 execution of the Agreement.

12 14. AES agreed to pay the remaining balance of \$2,700,00.00 upon execution of the
13 Agreement.

14 15. The Licensing Agreement also set forth a ten-year period for royalty payments
15 from AES to SmartTray for each covered Product manufactured and sold or used by AES or its
16 sublicensees (the “Royalty Payments”). *See Section 5. Royalties. Subsection a. in Exhibit A.*

17 16. The Licensing Agreement included a provision establishing an Annual Minimum
18 Royalty for 2016, 2017, 2018, and 2019. *See Section 6. Minimum Royalties. Subsection a.*
19 *Minimum Royalty in Exhibit A.*

20 17. The Annual Minimum Royalties in the Licensing Agreement totaled 10.5 million
21 dollars.

22 18. The Licensing Agreement specifically notes that the Annual Minimum Royalty or
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1 the Half-Annual Minimum Royalty had to be paid for AES to retain its status as exclusive
2 licensee.

3 19. Article 6(b) of the Licensing Agreement states, in relevant part, as follows:

4 For each calendar year 2016 and 2017, if the combined royalties paid by
5 [AES] to [SmartTray] for the periods ending March 31 and June 30 do not
6 equal or exceed the Half-Annual Minimum Royalty set forth in the table
7 above, Licensee shall have the option to pay Licensor on or before July 31
8 of such year an amount equal to the difference between the Half-Annual
9 Minimum Royalty and the royalties actually paid for such periods (the “Half-
10 Annual Catch-Up Amount”). The payment of the Half-Annual Catch-Up
11 Amount will secure the exclusivity of the Patent License for the balance of
12 the applicable year . . . If Licensee elects not to pay the Half-Annual Catch-
13 Up Amount, the parties shall use their best efforts to reach a compromise by
14 December 31 of the applicable year or the Patent License shall automatically
15 convert to a non-exclusive license rather than an exclusive license.

16 20. Article 6(e) of the Licensing Agreement provided that, in the event that the Patent
17 License was converted to a non-exclusive license, royalties would also be reduced, and the
18 parties would negotiate in good faith with respect to reduced royalties.

19 21. Article 16 of the Licensing Agreement defines failure to pay royalties due and
20 owing as optional grounds for SmartTray to terminate the Agreement.

21 22. AES markets itself to the public as the exclusive licensee of SmartTray’s Licensed
22 IP.

23 23. Section 8 of the Licensing Agreement requires AES to “keep an accurate record
24 of all transactions covered” by the Agreement and to “cause [its] sublicensees to maintain similar
25 records.”

26 24. On or about July 16, 2015, AES sublicensed Zodiac Aerospace to manufacture
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1 kickstand PED holders for United Airlines.

2 25. On or about June 1, 2018, SmartTray entered into a sublicensing agreement with
3 Zodiac Aerospace, representing that AES is the exclusive licensee of SmartTray.

4 26. On or about June 20, 2018, Dennis Market, on behalf of AES, represented in a Fox
5 News interview that Astronics is the exclusive licensee of SmartTray.

6 27. On or about September 1, 2018, AES entered into a sublicensing agreement with
7 HAECO, representing that AES is the exclusive licensee of SmartTray.

8 28. AES advertised that it was the exclusive patent licensee of SmartTray on its
9 website through May 2022.
10

11 The Consulting Agreement

12 29. In addition to the agreement, on or around April 6, 2015, SmartTray and AES
13 entered into the Consulting Agreement.
14

15 30. The Consulting Agreement required SmartTray, including its principal Nick Pajic,
16 to assist AES in the exploitation of the Products that were subject to the Agreement.
17

18 31. The Consulting Agreement placed certain restrictions on SmartTray and its
19 principals, including a non-competition provision.
20

21 32. Pursuant to the express terms of the Consulting Agreement, AES agreed to pay
22 SmartTray \$55,000.00 each month (the “Consulting Fee”), with the first payment due at signing
23 and subsequent payments due on the first day of each month.

24 33. AES began making regular monthly payments under the Consulting Agreement on
25 April 1, 2015.
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1 34. A year later, in May 2016, the parties agreed to extend and amend the Consulting
2 Agreement.

3 35. The term of the Consulting Agreement continued through December 31, 2017,
4 after which it continued on a month-to-month basis.

5 36. If either party wished to terminate the Consulting Agreement, they were required
6 to give a thirty (30) day notice of termination.

7 37. Further, effective May 1, 2016, the monthly consulting fee was amended from
8 \$55,000.00 to \$30,000.00 per month.
9

10 38. On May 1, 2019, AES sent a formal letter to SmartTray terminating the consulting
11 agreement effective end of May 2019.
12

13 The November Meeting and Agreement

14 39. On November 17, 2016, SmartTray’s principal Nick Pajic met with AES’s
15 representatives Mike Hettich, Dennis Markert, and Mark Peabody in Kirkland, Washington (the
16 “November Meeting”).
17

18 40. During the November Meeting, AES agreed to utilize SmartTray’s personnel in
19 more of its sales meetings and presentations.
20

21 41. AES and SmartTray also agreed to amend the Licensing Agreement during the
22 November Meeting.

23 42. SmartTray agreed that AES could apply the required \$30,000.00 consulting fee to
24 the minimum royalty payments due under the Licensing Agreement.
25

26 43. Additionally, SmartTray agreed to shift the payment of the minimum annual
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1 royalty payments back by one full year. In other words, royalties for 2016 were to be paid in
2 2017, royalties for 2017 would be paid in 2018, and so on.

3 44. AES agreed to pay a monthly fee of \$65,000.00 beginning in January 2017 in order
4 to retain the exclusivity of its license in 2016.

5 45. The \$65,000.00 monthly payment due beginning in January 2017 was intended as
6 payment of minimum royalties for 2016.

7 46. The balance of the 2016 minimum royalties payment, \$460,000.00, was to be paid
8 by AES on January 1, 2018.

9 47. SmartTray and AES memorialized the changes to the agreement on a whiteboard
10 (the “November Amendment”). *See* **Exhibit B**.

11 48. The whiteboard agreement was later confirmed in a slide deck prepared by Mike
12 Hettich. *See* **Exhibit C**.

13
14
15 The United Airlines Agreement

16 49. In or around August 6, 2014, SmartTray entered into a licensing agreement with
17 United Airlines, Inc. (“United”) (the “United Agreement”).

18 50. United wished to acquire the right to use two of SmartTray’s patents (U.S. Patent
19 No. 8,667,904 and U.S. Patent No. D701,213). SmartTray’s technical information (as defined in
20 the United Agreement) and SmartTray’s licensed products (as defined in the United Agreement).

21 51. The United Agreement gave United a non-exclusive license, with no right to grant
22 sublicenses, for use in an express number of licensed aircraft.

23 52. In return for the license, United was to pay SmartTray \$321,330.24 in royalties.
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1 53. The United Agreement further provided that \$160,665.12 (50% of the royalty
2 amount) would be due upon the execution of the agreement, and the remaining 50% would be
3 due when United installed the licensed products on any licensed aircraft, but not more than one
4 year after the effective date of the agreement.

5
6 54. On May 15, 2015, SmartTray advised United that it had entered into the exclusive
7 Licensing Agreement with AES.

8 55. In accordance with its contractual obligations in section 2(c) of the Licensing
9 Agreement, SmartTray advised United that any future payments under the United Agreement
10 should be paid directly to AES, including the remaining payment of \$160,665.12.

11
12 56. Section 2(c) of the Licensing Agreement specifically provided that, in the event
13 AES made, sold, or sublicensed Products to United Airlines under a new or amended agreement,
14 beyond the 1,604 licensed products identified in the United Agreement, AES would pay royalties
15 to SmartTray.

16
17 57. Later, in May 2017, AES and SmartTray agreed to amend the United Agreement
18 (the “First Amendment to the United Agreement”).

19 58. The purpose of the First Amendment to the United Agreement was to allow United
20 to purchase additional licensed product.

21
22 59. The First Amendment to the United Agreement acknowledged the payment of past
23 royalties and established a royalty payment schedule for all additional products.

24 60. The First Amendment to the United Agreement specifically required United to
25 track the number of Licensed Products manufactured under the United Agreement, as amended.
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AES' Non-Payment

69. AES failed to pay the monthly fee of \$65,000.00 beginning in January 2017, which was the agreed-upon payment for AES' exclusivity in 2016.

70. AES failed to pay the \$460,000.00 lump sum balance of the 2016 minimum royalties, which was due on January 1, 2018.

71. Yet, even though AES has not made all payments, it has actively represented itself as an exclusive licensee for SmartTray Products on multiple occasions since 2018.

72. AES failed to make the 2018 and 2019 Annual Minimum Royalty payments.

73. AES failed to pay at least \$126,000.00 in royalties due and owing under the United Agreement.

74. AES failed to make all requisite payments under the Consulting Agreement

75. AES has not paid SmartTray all royalties due under the United Agreement, as amended and assigned to AES.

COUNT I

BREACH OF CONTRACT

76. SmartTray incorporates the preceding paragraphs of the Complaint as if fully set forth at length herein.

77. SmartTray and AES entered into the Licensing Agreement, November Amendment, Consulting Agreement, and Common Interest Agreement (collectively referred to as the "Contracts").

78. SmartTray performed fully under the Contracts.

79. AES agreed to pay SmartTray the Exclusive License Fee, Royalties (including the

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1 Annual Minimum Royalties), and the Consulting Fee.

2 80. AES failed meet its payment obligations to SmartTray.

3 81. Upon information and belief, AES has not paid SmartTray all royalties owed under
4 the Agreement, as amended.

5 82. As a result of AES’s breaches of the Contracts, SmartTray has been damaged in
6 an amount to be determined at trial.

8 **COUNT II**

9 **BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR**

10 **DEALING**

11 83. SmartTray incorporates the preceding paragraphs of the Complaint as if fully set
12 forth at length herein.

13 84. The covenant of good faith and fair dealing is implied in every contract and
14 prohibits a party from doing anything to prevent the other party from receiving the benefits of
15 the contract.

16 85. The Contracts between SmartTray and AES are binding agreements.

17 86. AES deprived SmartTray of the benefit of the Contracts.

18 87. As a result of AES’ breach of the implied covenant of good faith and fair dealing,
19 SmartTray has been damaged in an amount to be proven at trial.

20 **COUNT III**

21 **UNJUST ENRICHMENT**

22 88. SmartTray incorporates the preceding paragraphs of the Complaint as if fully set
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1 forth at length herein.

2 89. In the alternative, SmartTray is entitled to be made whole under a theory of unjust
3 enrichment.

4 90. AES held itself out to the public as the exclusive licensee of the SmartTray Patent
5 License until May 2022.

6
7 91. Upon information and belief, AES has substantially profited and benefited from
8 being the exclusive licensee of the SmartTray Patent License.

9 92. SmartTray has been deprived from receiving the benefit of AES’s position as
10 exclusive licensee.

11 93. It is unjust and inequitable for AES to retain funds attributable to being the
12 exclusive licensee of the SmartTray Patent License without compensation to SmartTray.
13

14 **COUNT IV**

15 **PATENT INFRINGEMENT**

16
17 94. SmartTray incorporates the preceding paragraphs of the Complaint as if fully set
18 forth at length herein.

19 95. SmartTray is the sole holder of the entire right, title, and interest of various patents.

20 96. Pursuant to 35 U.S.C. § 282, SmartTray’s patents are presumed valid.

21 97. The Licensing Agreement allowed AES to “manufacture, use, sell (including by
22 means of lease financing), offer to sell, have made for Licensee or its affiliated companies . . .
23 products practicing the inventions covered [by SmartTray’s patents].” See Ex. A at ¶ 2(a).
24

25 98. AES’ permitted use of SmartTray’s patents was contingent upon the payment
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1 obligations contained in the Licensing Agreement, as amended.

2 99. AES’ continued use of SmartTray’s patents after nonpayment under the Licensing
3 Agreement, as amended, constitutes patent infringement.

4 100. Similarly, the Licensing Agreement, as amended, provided AES “the right to
5 sublicense the Licensed IP hereunder.” *See* Ex. A at ¶ 2(a).
6

7 101. AES’ sublicense of SmartTray’s patents after nonpayment under the Licensing
8 Agreement, as amendment, constitutes patent infringement.

9 102. Upon information and belief, AES has induced and continues to induce
10 infringement of SmartTray’s patents by inducing other third parties to use the patents without
11 authorization.
12

13 103. AES has acted in willful, deliberate disregard of SmartTray’s patent rights.

14 104. As such, SmartTray is entitled to both damages from AES’ infringement and for
15 an affirmative injunction against AES, enjoining AES from continued acts of infringement of
16 SmartTray’s patents.
17

18 **WHEREFORE**, SmartTray prays for the following relief:

- 19 A. For the Court to award compensatory damages in an amount to be determined at
20 trial but no less than \$6,193,333.00;
- 21 B. For an award of attorneys’ fees and costs against AES;
- 22 C. For prejudgment and post-judgment interest at the maximum rate allowed by law;
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D. For an injunction against AES, their officers, agents, servant, employees, parent and subsidiary corporations, assigns and successors in interest, enjoining AES from continued acts of infringement of SmartTray’s patents;

E. For such other relief as may be requested by SmartTray or as the Court deems just and proper;

RESPECTFULLY SUBMITTED this 12th day of May, 2022.

ROSE LAW GROUP pc

/s/ Andrew Turk
Andrew Turk
Logan Elia
ROSE LAW GROUP pc
7144 E. Stetson Drive, Suite 300
Scottsdale, Arizona 85251
Attorneys for Plaintiff

EXHIBIT A

LICENSE AGREEMENT

This **LICENSE AGREEMENT** (the "**Agreement**"), dated April 6, 2015, is between **SMARTTRAY INTERNATIONAL, LLC**, with offices at 2999 North 44th Street, Floor 2, Phoenix, Arizona 85018 ("**Licensor**"), and **ASTRONICS ADVANCED ELECTRONIC SYSTEMS CORP.**, with offices at 12950 Willows Road NE, Kirkland, WA 98034 ("**Licensee**").

1. **Licensor's Representations.** Licensor represents and warrants to Licensee as follows: (a) Licensor is the sole owner of the U.S. Patents from time to time listed in **Schedule 1** hereto together with all related international patents (if any), from time to time also as listed in **Schedule 1** (collectively, the "**Patents**") and the trademarks, service marks, trade dress, logos, trade names, corporate names, photos, artwork and copyrights (the "**Trademarks and Copyrights**") and together with the Patents, the "**Licensed IP**"), related to the Patents, free and clear of all liens, charges, encumbrances whatsoever; (b) except as set forth on **Schedule 2**, Licensor has not granted to any person or entity any right to or license under the Licensed IP; (c) Licensor has the right to grant the licenses given to Licensee by this Agreement; (d) the entering into this License does not conflict with or breach the terms of any other agreement or commitment that Licensor may have to any third parties; (e) there are no actions, suits, claims, disputes, or proceedings or governmental investigations pending or threatened against Licensor with respect to the subject matter of this Agreement or the use thereof by Licensor or Licensee, either at law or in equity, before any court or administrative agency or before any governmental department, commission, board, bureau, agency or instrumentality, or before any arbitration board or panel whether located in the United States or a foreign country; and (f) to the best of Licensor's knowledge, the Licensed IP does not infringe upon any third party's intellectual property rights.

2. **Grant of Licenses; Assignment.**

a. **Patent License.** Licensor grants to Licensee under Licensor's Patents the exclusive right and license in the aerospace market (the "**Patent License**") to manufacture, use, sell (including by means of lease financing), offer to sell, have made for Licensee or its affiliated companies (i.e. companies that control or are controlled by or under common control with Licensee) products practicing the inventions covered by the Patents (the "**Products**"), throughout the world. The parties agree to update **Schedule 1** from time to time to include all additional U.S. or international patents and patent applications related to the technology underlying the existing Patents (e.g. relating to ways of holding electronic devices) that are issued to Licensor during the term of this Agreement. Licensee shall have the right to sublicense the Licensed IP hereunder. The term of the License shall commence upon execution of this Agreement and shall continue until the expiration of all the Patents licensed hereunder. Licensee agrees that the Patent License does not extend to advertising revenue sharing programs and non-aerospace uses and that Licensee shall not compete in the advertising revenue sharing programs and non-aerospace markets. Licensor shall have the right to develop advertising revenue sharing programs or non-aerospace uses on its own and/or with other strategic partners.

b. **Trademark and Copyright License.** For the term of the Patent License, Licensor grants to Licensee a royalty-free, non-exclusive right and license to use all Trademarks and Copyrights presently owned or hereafter developed by the Licensor (the "**Trademark and Copyright License**" and together with the Patent License, the "**License**").

c. **Assignment of Contracts.** Licensor hereby assigns to Licensee all of Licensor's right, title and interest in, to and under the contract with United Airlines, Inc., dated August 27, 2014,

described on Schedule 2 hereto (the “**Contract**”). Licensor and Licensee further agree that with respect to the Contract, and notwithstanding any provisions contained herein or in the Contract to the contrary: (i) Licensee shall be entitled to collect and receive the balance of the remaining royalty due under the Contract without obligation to pay royalties to Licensor on such amounts hereunder; (ii) in the event that Licensee makes, sells, or sublicenses Products to United Airlines, Inc. under a new or amended agreement or makes, sells, or sublicenses additional Products to United Airlines, Inc. beyond the 1,604 licensed products identified in the Contract, Licensee shall pay Licensor royalties for the Products as set out in this Agreement; (iii) in the event that the Contract is terminated and any refund is due United Airlines, Inc. pursuant to Section 7.4 of the Contract, Licensor shall be obligated to pay up to \$160,665.12 of such refund to United Airlines, Inc.; and (iv) Licensor shall indemnify Licensee with respect to any and all losses incurred by Licensee pursuant to Article 12 (Indemnification) of the Contract.

3. Future Inventions. The grant of the exclusive right and license of the Patents to Licensee applies to all inventions, improvements, patent applications, or letters patent pertaining to the technology underlying that Patents (e.g. regarding ways of holding electronic devices) that Licensor may hereafter devise or obtain in the aerospace market only and excluding any advertising revenue sharing programs or non-aerospace uses.

4. Exclusive License Fee. In consideration of the grant by Licensor to Licensee of the License, Licensee shall pay Licensor the sum of \$3,000,000.00 (the “**Licensee Fee**”). The parties acknowledge and agree that Licensee has previously paid to Licensor the sum of \$300,000.00 as a nonrefundable advance on the License Fee. As such, upon execution of this Agreement, Licensee shall pay to Licensor the remaining balance of \$2,700,000.00. In consideration for this payment, Licensor will provide such assistance and data as Licensee may reasonably request in order to enable Licensee to exploit the Patents. The license granted hereunder includes a license to use any information provided by Licensor to Licensee as needed to practice the License granted under Section 1.

5. Royalties.

a. Except as set forth on **Schedule 5-A**, for a period of ten (10) years following execution of this Agreement (the “**Royalty Term**”), Licensee shall pay Licensor royalties for each Product consisting of the Trays or Kits listed in the table below (and more fully described in **Schedule 5-B**) manufactured and sold or used by Licensee or by Licensee’s sublicensees, in the following amounts:

Product	Royalty
X1 Kit	\$ 12.50
X1 Tray	\$ 20.00
X2 Tray	\$ 28.00
X4 Kit	\$ 45.00
X4 Tray	\$120.00

b. Licensee shall pay to Licensor the royalties set forth in Section 5(a) above with respect to sales under the assumed Contract, and all such royalties shall be included in the calculation of any minimum royalties set forth in Section 6 below.

c. No royalties shall be payable with respect to any Product once the underlying Patent or Patents have expired or, in any event, after expiration of the Royalty Term.

d. Licensee shall pay to Licensor a reasonable royalty as mutually agreed to by the parties for other Products other than those set forth in Section 5(a).

6. Minimum Royalty.

a. Minimum Royalty. The exclusive nature of the License is based on a minimum level of royalties paid during the Royalty Term. As such, Licensee commits to the pay Licensor minimum annual and half-annual royalties to maintain exclusivity as follows:

<u>Calendar Year</u>	<u>Annual Minimum Royalty</u>	<u>Half-Annual Minimum Royalty</u>
2016	\$1,600,000.00	\$800,000.00
2017	\$1,900,000.00	\$950,000.00
2018	\$3,200,000.00	Not applicable
2019	\$3,800,000.00	Not applicable

b. Half-Annual Minimum Royalty. For each calendar year 2016 and 2017, if the combined royalties paid by Licensee to Licensor for the periods ending March 31 and June 30 do not equal or exceed the Half-Annual Minimum Royalty set forth in the table above, Licensee shall have the option to pay Licensor on or before July 31 of such year an amount equal to the difference between the Half-Annual Minimum Royalty and the royalties actually paid for such periods (the "**Half-Annual Catch-Up Amount**"). The payment of the Half-Annual Catch-Up Amount will secure the exclusivity of the Patent License for the balance of the applicable year. The Half-Annual Catch-Up Amount will be treated as a nonrefundable advance against future royalties, such that the Half-Annual Catch-Up Amount will be credited against earned royalties due and owing for the balance of the applicable calendar year or the following calendar year or years. For the avoidance of doubt, Licensor shall not be obligated to pay any additional royalties for such year (other than the balance of the Annual Minimum Royalty) until such time as the royalties due and owing for such year exceed the amount of the Half-Annual Catch-Up Amount. If Licensee elects not to pay the Half-Annual Catch-Up Amount, the parties shall use their best efforts to reach a compromise by December 31 of the applicable year or the Patent License shall automatically convert to a non-exclusive license rather than an exclusive license. In the event that royalties paid for the periods ending March 31 and June 30 in calendar years 2016 or 2017 exceed the Half-Annual Minimum Royalty set forth in the table above for such year, any such excess shall apply towards the calculation of the Annual Minimum Royalty for such calendar year.

c. Annual Minimum Royalty. For each calendar year 2016, 2017, 2018 and 2019, if the combined royalties paid by Licensee to Licensor for all four calendar quarters do not equal or exceed the Annual Minimum Royalty set forth in the table above, Licensee shall have the option to pay Licensor on or before January 31 of the next year an amount equal to the difference between the Annual Minimum Royalty and the amount actually paid for such year (the "**Annual Catch-Up Amount**"). The payment of the Annual Catch-Up Amount will secure the exclusivity of the Patent License for the following calendar year (subject to the satisfaction of the Half-Annual Minimum Royalty for 2017). The Annual Catch-Up Amount will be treated as a nonrefundable advance against future royalties, such that the Annual Catch-Up Amount will be credited against earned royalties due and owing for the following calendar year or years. If

Licensee elects not to pay the Annual Catch-Up Amount, the parties shall use their best efforts to reach a compromise by June 30 or the Patent License shall automatically become a non-exclusive license rather than an exclusive license. In the event that royalties paid for the calendar years 2016, 2017, 2018 or 2019 exceed the Annual Minimum Royalty set forth in the table above for such year, any such excess shall apply towards the calculation of the Annual Minimum Royalty for the following calendar year or years.

d. **Royalties Paid in 2015.** Royalties paid under Section 5 in calendar year 2015, if any, shall be considered an advance on future Half-Annual Minimum Royalties and Annual Minimum Royalties for the subsequent periods and shall be used in the determination of whether such Half-Annual Minimum Royalties and Annual Minimum Royalties have been achieved.

e. **Reduced Royalties upon Conversion to Non-Exclusive License.** In the event that the Patent License becomes non-exclusive in accordance with this Section 6, the royalties payable pursuant to Section 5 shall be reduced to the lowest royalty agreed to between Licensor and any other non-exclusive licensee with respect to the Patents in the aerospace market, if any. In the event that there is no such other non-exclusive licensee, the parties shall negotiate in good faith with respect to reduced royalties.

7. Payment of Royalties. Royalties shall be calculated for each applicable calendar quarter (periods ending March 31, June 30, September 30 and December 31) during the Royalty Term. The payment of royalties shall be accompanied by a statement showing each applicable Product manufactured and sold, or used by Licensee and its sublicensees during the period covered by the royalty payment together with a computation of the royalties due. Royalty statements and payment shall be due within three (3) weeks following the end of each calendar quarter during the Royalty Term.

8. Records to Be Maintained by Licensee. Licensee shall at all times keep an accurate record of all transactions covered by this Agreement and shall cause Licensee's sublicensees to maintain similar records.

9. Licensor's Right to Audit Records. Licensor may audit Licensee's books and records for the purpose of verifying the royalty statements. This right shall terminate, with regard to each royalty statement, three (3) years after the statement has been rendered. The audit must be made by a certified public accountant or certified public accounting firm, during regular business hours, and upon ten business days' notice to Licensee. In making any sublicensing agreements, Licensee shall obtain for Licensor a similar right to audit the sublicensee's books and records. Licensor shall be responsible for the cost of any such audit unless it is determined that Licensor was underpaid by more than five percent (5%) in one or more royalty statements, in which case Licensee shall pay the cost of such audit.

10. Licensor's Obligations. Promptly following execution of this Agreement, at no additional cost to Licensee:

a. Licensor shall deliver to Licensee all existing marketing materials, engineering drawings, samples, outstanding proposals or bids, and any other documentation or products that Licensor has created related to the Licensed IP subject to the License hereunder; and

b. Licensor shall use its best efforts to provide notice of assignment to, and obtain consents to assignment from, all third parties to the Contract.

11. Licensee's Obligations. Promptly following execution of this Agreement, Licensee shall, at no cost to Licensor:

a. commence marketing and sales efforts directed at the global commercial airlines, and shall use commercially reasonable efforts to (i) visit each of the major global commercial airlines within sixty days of execution of this Agreement, and (ii) initiate contact with Licensee's existing EmPower® customer base with over 20 aircraft in their fleet within six months of execution;

b. use commercially reasonable efforts to leverage its relationships with the major seat manufacturers to encourage such manufacturers to integrate Products into their existing seats and new seats (retrofit and line fit);

c. use commercially reasonable efforts to leverage its relationships with Panasonic, Thales, Zii and Board Connect to encourage them to integrate Products into their offerings;

d. integrate any additional tools or suppliers needed to enable the manufacture of the trays and kits as contracts for Products are awarded by customers;

e. commence working with Licensee's certification and installation partners to bring the Products to market for each contract for Products awarded by customers as soon as possible; and

f. allocate engineering and certification resources to further the development of existing Licensee technology, as well as integration of power with existing Licensee products.

12. Revenue Sharing Programs. Notwithstanding anything contained herein to the contrary, Licensor shall be permitted to develop advertising revenue sharing streams on its own or with other strategic partners. Revenues from such revenue sharing streams shall be solely for the benefit of Licensor and its strategic partners and are excluded from Licensee's rights hereunder. Licensor's efforts to develop advertising revenue sharing streams shall be separate from any work Licensor performs pursuant to the consulting agreement to be entered into between Licensor and Licensee. The parties shall agree upon specific language to be included in Licensor's advertising proposal or other communications related to such advertising revenue streams in an effort to make it clear to third parties that such activities are on behalf of Licensor and not Licensee.

13. Patent Prosecution and Defense.

a. Patent Prosecution.

i. Licensor shall (a) apply for, prosecute, defend and reasonably protect against infringement, the Patents and foreign patents related to the technology covered by the Patents, and (b) apply for and prosecute patent protection for the technology underlying the Patents in the European Union and such other countries as the parties may mutually agree upon, in each case using patent counsel mutually agreed upon by the parties. Licensor shall be responsible for the payment of all fees and expenses in connection with the application for and prosecution of the Patents and foreign patents related thereto. In the event that Licensor decides not to prosecute the Patents or maintain the Patents, then Licensor shall provide Licensee with prompt written notice of such decision, but, in any event, such notice shall be provided to Licensee at least sixty (60) days before any known bar date or non-extendable deadline. Prior to such bar date or deadline, Licensee may provide Licensor with written notice that Licensee wishes to assume such responsibility. Upon receipt of such notice from Licensee, Licensor agrees to cooperate fully with Licensee, its attorneys and agents and to provide Licensee with

complete copies of any and all documents and other related materials that Licensee deems necessary to undertake such responsibilities. In the event that Licensee assumes such responsibility, Licensee may take a credit against any royalties payable to Licensor for the costs incurred by Licensee as a result of its assumption of these responsibilities, including but not limited to attorneys' fees and amounts payable to countries with respect thereto.

ii. Licensor will provide Licensee with copies of all material filings to be made and correspondence with the U.S. Patent and Trademark Office and corresponding foreign agencies in connection with the prosecution of the Patents.

b. Patent Defense.

i. In the event of any third party infringement of any licensed Patent, the party hereto having knowledge thereof shall promptly notify the other party of such infringement, whereupon the parties shall consult with a view to reaching an agreement as to the ways and means for eliminating such infringement or otherwise engaging the infringer to come to a resolution mutually acceptable to the parties hereto. If both parties desire to litigate such infringement, they shall equally share any costs thereof and any recovery therein, provided that Licensor's share of such fees and expenses shall be capped at 25% of the total royalties paid hereunder. Licensor shall promptly advise Licensee of all costs incurred with respect to any such litigation and provide supporting documentation with respect thereto. Licensee shall within thirty (30) days of receipt of such documentation pay Licensor its share of costs. Any recovery awarded in the suit will first be applied to reimburse each party for its costs incurred. If the recovery is insufficient to cover all such costs, each side shall have an equal percentage of its costs covered. After costs incurred are covered, then any recovery will be shared equally between the parties unless the judgment has clearly allocated the recovery awarded between the parties in some other manner.

ii. In the event that either party desires to litigate any such third party infringement and the other party refuses or fails to do so, the party desiring litigation may in its sole discretion, and at its sole expense, and by counsel of its own choice, bring suit to restrain such infringement. Any recovery awarded in the suit will first be applied to reimburse each party for its costs incurred. After costs incurred are covered, then any recovery will be shared between the parties in proportion to the costs incurred by each party related to such litigation, unless the judgment has clearly allocated the recovery awarded between the parties in some other manner.

iii. In the event that Licensee desires to litigate any such third-party infringement and Licensor refuses or fails to do so, Licensor, agrees (a) to be joined as a party in such litigation, if so required by law, and (b) that Licensee shall have full control of such litigation. Unless Licensor refuses or fails to initiate such litigation, Licensor shall have primary control of the litigation, including the right to appoint counsel and the right to settle or compromise same with the written consent of Licensee, which consent shall not be unreasonably withheld. In any event, the parties agree to fully cooperate with one another in any litigation relating to such third party infringement.

14. Right of First Discussion; Conditions of Transfer and Insolvency.

a. Right of First Discussion. During the term of this Agreement, Licensor shall grant to Licensee a right of first opportunity to discuss the purchase of (i) some of all of the Patents, (ii) all or substantially all of the assets of Licensor, and/or (iii) fifty-one percent (51%) or more of the membership interests of Licensor, in one or a series of transactions, at least thirty (30) days

before commencing initiating prospective or actual discussions with any other potential purchaser.

b. Conditions of Transfer. During the term of this Agreement, Licensor shall ensure that any transaction involving the sale by Licensor to a purchaser other than Licensee or one of its affiliates of (i) some of all of the Patents, (ii) all or substantially all of the assets of Licensor, and/or (iii) fifty-one percent (51%) or more of the membership interests of Licensor in one or a series of transactions, shall be conditioned upon the assumption of this Agreement by such purchaser.

c. Insolvency. In the event that (i) for a period of 90 days or more, Licensor ceases doing business as a going concern, suspends all or substantially all its business operations, or makes an assignment for the benefit of creditors outside of the ordinary course of business, or (ii) petitions for or acquiesces in the appointment of any receiver, trustee or similar officer to liquidate or conserve its business or any substantial part of its assets, commences any legal proceeding such as bankruptcy, reorganization, readjustment of debt, dissolution or liquidation available for the relief of financially distressed debtors, or becomes the object of any such proceeding, unless such proceeding is dismissed or stayed within a reasonable period, not to exceed 90 days, Licensee shall have the option to require Licensor to execute and deliver instruments of assignment conveying, transferring and assigning title to the Licensed IP to Licensee. All royalties owed under this Agreement shall continue and remain due and owing even after such assignment (for the avoidance of doubt, however, no other fees will be payable in connection with such assignment). The form of such assignments will provide Licensee with title to the Licensed IP, free and clear of all security interests, charges or encumbrances of any kind whatsoever, except as otherwise set forth herein, and otherwise be in customary form, satisfactory to Licensee and Licensor in their reasonable discretion. In connection with such assignment, Licensee will execute and deliver an exclusive world-wide, royalty-free, freely sub-licensable, assignable, and perpetual license back to Licensor of the Licensed IP for all uses outside of the aerospace market in a form reasonably satisfactory to the parties. In furtherance of the agreement set forth in this Section 14(c), Licensor hereby covenants and agrees that its shall not take any actions or effectuate any assignments or licenses with respect to the Licensed IP that would render the assignment contemplated by this Section 14(c) impossible or would require the consent of a third party prior to such assignment, including, without limitation, the granting of any security interest in the Licensed IP.

Notwithstanding the forgoing, this Section 14(c) shall be of no force or effect should: (i) the Patent License become non-exclusive under the terms of this Agreement, (ii) the Licensee be in default of this Agreement, or (iii) should this Agreement be transferred or otherwise assumed after compliance with Sections 14(a) and (b).

15. **Term**. The license granted by this Agreement shall end upon the expiration of the last Patent and any patented improvements to the inventions covered by such Patents.

16. **Termination of Agreement Upon Occurrence of Events**. Subject to the conditions of Section 17, the party designated may terminate this Agreement upon the occurrence of any of the following events:

a. Failure to Pay Royalties. Licensee's failure to pay royalties or render royalty statements within sixty (60) days of receipt of notice of delinquency shall give Licensor the option to terminate this Agreement.

b. Breach of Other Conditions of Agreement. The breach by Licensor or Licensee of any of the other terms or conditions of this Agreement shall give the nonbreaching party the option to terminate this Agreement, provided that the breaching party shall have thirty (30) days from the

date of receipt of written notice from the nonbreaching party of such breach in which to cure such breach.

c. Invalidity of Patent(s). The holding by a court of final competent jurisdiction that one or more of the Patents described in Section 1 are invalid, or by an inferior court of competent jurisdiction if a timely appeal from the holding is not taken, shall give Licensee the option to terminate this Agreement. Even if this Agreement is not terminated, if a product only practices the inventions covered by an invalid Patent(s), no further royalties will be payable with regard to such product.

d. Termination of Patent(s). The termination of one or more of the Patents described in Section 1 before its normal expiration date, for example, due to a failure of Licensor to pay any applicable maintenance fees, shall give Licensee the option to terminate this Agreement. Even if this Agreement is not terminated, if a product only practices the inventions covered by the terminated Patent(s), no further royalties will be payable with regard to such product.

17. Manner In Which Option to Terminate Agreement Is to Be Exercised. If either party wishes to exercise the option to terminate this Agreement in accordance with the terms of Section 16, written notice that the Agreement is terminated must be given by the party exercising the option to the other no later than fifty-two weeks after the occurrence of the event upon which the termination of this Agreement is based.

18. Licensor's Rights Following Termination of Agreement. Upon the termination of this Agreement for any cause, Licensor's rights to receive royalty payments that are due and royalty statements for periods during which this Agreement was in effect shall continue, as shall Licensor's rights to audit Licensee's book and records and those of Licensee's sublicensees for the same periods.

19. Indemnification.

a. Indemnity by Licensor. Licensor will defend and indemnify Licensee with respect to all damages, costs, expenses, interest (including prejudgment interest), losses, claims, demands, liabilities, deficiencies and/or obligations, including, without limitation, reasonable fees and disbursements of counsel (herein referred to, collectively, as "Damages"), which Licensee may incur resulting, directly or indirectly, by reason of: (i) the breach of any representation contained herein by Licensor, (ii) the breach of any covenant or agreement to have been performed hereunder by Licensor, or (iii) the actual infringement of a third party's intellectual property rights caused by Licensee's use of the Licensed IP in a jurisdiction where the Patents are registered. Notwithstanding the above, such indemnification shall not extend to any infringement claim based upon (A) Licensee's combination of equipment or technology not licensed by Licensor with the Licensed IP where the cause of the infringement is the combination of the equipment or technology and not the Licensed IP, or (B) Licensee's modifications to or improvements upon the Licensed IP and where the infringement would not have occurred but for such modifications or improvements.

b. Indemnity by Licensee. Licensee will defend and indemnify Licensor with respect to all Damages which Licensor may incur resulting, directly or indirectly, wholly or partly by reason of (i) the breach of a covenant or agreement to have been performed hereunder by Licensee, or (ii) a product liability claim involving Products manufactured and sold by Licensee or its sublicensees.

c. Procedures. The indemnified party must deliver written notice to the indemnifying party promptly after the indemnified party first receives notice of any suit or other formal action against it or after it first receives any other allegation or written claim covered by this Section 19.

Notwithstanding the foregoing, the indemnifying party's obligation to indemnify shall not be precluded based on a delay in so providing notice unless such delay prejudices the indemnifying party's ability to defend any indemnification claim. At any time, the indemnifying party will have the right at its option and expense to (i) negotiate with any third related to such indemnification claim, (ii) assume or control the defense of any claim, suit or formal action subject to indemnification hereunder, and/or (iii) intervene in any such suit or formal action. The indemnifying party shall the indemnified party's written approval prior to paying, committing to pay, assuming any obligation, or making any concession or other settlement relative to any matter covered by these indemnities.

20. **Notices.** All notices required by this Agreement shall be given by email with a copy sent by registered or certified mail, return receipt requested, addressed to the party to whom notice is given at the address set out in this Agreement or such other address that the party to whom notice is given may have given the other party notice of.

Notices to SmartTray shall be sent to:

Nick Pajic | President & CEO
SmartTray International, LLC
2999 N. 44th Street, Suite 250
Phoenix, Arizona 85018
Email: nick.pajic@thesmarttray.com

Mark Borghese
Borghese Legal, Ltd.
10161 Park Run Drive, Suite 150
Las Vegas, NV 89145
Email: mark@borgheselegal.com

Notices to Astronics AES shall be sent to:

Mark Peabody, President
Astronics Advanced Electronic Systems Corp.
12950 Willows Rd NE
Kirkland, WA 98034
Email: Mark.Peabody@astronics.com

Julie Davis, Corporate Counsel
Astronics Corporation
130 Commerce Way
East Aurora, NY 14052
Email: Julie.Davis@astronics.com

21. **Assignment by Licensee.** Neither party shall assign this Agreement or any part of it without first receiving Licensor's written consent, which consent shall not be unreasonably withheld, delayed or conditioned.

22. **Specific Performance.** The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement are not performed in accordance with their specific terms or are otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches or threatened breaches of this Agreement and to specifically enforce the terms and provisions of this Agreement and any other agreement or

instrument executed in connection herewith. Each party waives any requirements for the securing or posting of any bond in connection with any such remedy. The parties further agree that (a) by seeking the remedies provided for in this Section 22, a party shall not in any respect waive its right to seek any other form of relief that may be available to a party and not otherwise specifically waived under this Agreement, including monetary damages in the event that this Agreement has been terminated or in the event that the remedies provided for in this Section 22 are not available or otherwise are not granted and (b) nothing contained in this Section 22 shall require any party to institute any proceeding for (or limit any party's right to institute any proceeding for) specific performance under this Section 22 before exercising any termination right under Section 16 (and pursuing damages after such termination) nor shall the commencement of any action pursuant to this Section 22 or anything contained in this Section 22 restrict or limit any party's right to terminate this Agreement in accordance with the terms of Section 16 or pursue any other remedies under this Agreement that may be available then or thereafter.

23. **Miscellaneous.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington applicable in the case of agreements made and to be performed entirely within such State. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have signed this Agreement, on the date first set forth above.

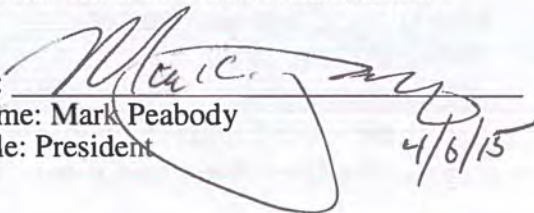
LICENSOR:

SMARTTRAY INTERNATIONAL, LLC

By: _____
Name: Nick Pajic
Title: CEO

LICENSEE:

**ASTRONICS ADVANCED
ELECTRONIC SYSTEMS CORP.**

By: 
Name: Mark Peabody
Title: President
4/6/15

Schedule 1 – Patents and Invention Description***Patents***

U.S. Patent No.	Title
D701,213	Tray Table for Supporting an Electronic Device
8,826,830	Tray Table with Rotatable Inner Tray for Electronic Device Docking
8,667,904	Aircraft Tray Table with Electronic Device Support

Provisional Patent Applications

U.S. Patent Application No.	Title
61/546,969	Lightweight Electronic Tray Table
61/620,386	Tray Table Providing Umbilical Connection to Aircraft Systems
61/641,098	Aircraft Tray Table with Electronic Device Support
61/768,859	Tray Table with Electronic Device Support
61/847,998	Tray Table with Articulating Support

Nonprovisional Patent Applications

U.S. Patent Application No.	Title
14/203,547	Electronic Device Support for Vehicles
14/479,888	Tray Table with Rotatable Inner Tray
14/335,571	Tray Table with Articulating Support
14/541,044	Electronic Device Support For Vehicles

PCT Applications

PCT Application No.	Title
PCT/US12/59329	Tray Table with Rotatable Inner Tray for Electronic Device Docking
PCT/US13/38941	Tray Table with Electronic Device Support

Schedule 2 – Licenses; Contracts

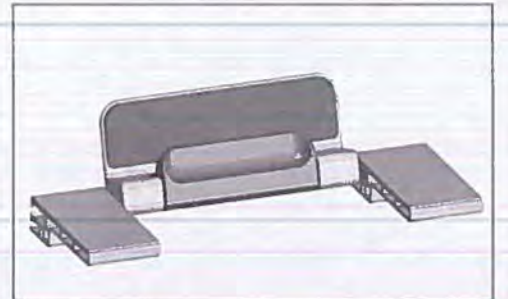
Patent and Technical Information License Agreement between United Airlines and SmartTray International, LLC dated August 27, 2014.

Schedule 5B – Trays and Kits

X1 Tray: an aircraft tray table that utilizes the Licensed IP for seatback mounted economy and or premium economy class applications that facilitate hands free use of owned portable electronic devices (PEDs) inflight when tray tables are in a deployed service position. The PED is held in a fixed position or expandable position mechanism that expands and retracts automatically to the thickness of a portable electronic device.



X1 Kit: an aircraft kit that utilizes the Licensed IP and is available in fixed position groove (non-expandable) and expandable position groove mechanism assembly. The X1 kit includes friction hinges and hinge pivot blocks. X1 kit is available in injection molded aircraft grade plastic base and movable “jaw”, or casted or extruded aircraft grade aluminum base and injection molded aircraft grade plastic movable “jaw”.



X2 Tray: an aircraft tray table that utilizes the Licensed IP for seatback mounted economy and or premium economy class applications that facilitate hands free use of PEDs inflight when tray tables are in stowed or service position. PED is held in a fixed position or expandable position X1 mechanism that expands and retracts automatically to the thickness of a portable electronic device when tray tables are in deployed service position. When tray table is in stowed and locked position, PED can be stowed in a special back mounted X2 frame with built-in tilt mechanism for enhanced screen viewing.



X4 Tray: an aircraft tray table that utilizes the Licensed IP for in-armrest premium class and or economy/premium economy class applications that facilitates hands free use of PEDs inflight when tray tables are in a deployed service position. PED is held in a fixed position or expandable position mechanism that expands and retracts automatically to the thickness of a portable electronic device.



X4 Kit: an aircraft kit that utilizes the Licensed IP and is available in fixed position groove (non-expandable) and expandable position groove mechanism assembly. X4 kit includes friction hinges and machine screws for mounting to the aluminum tray table. The X4 kit construction features aircraft grade aluminum casted or extruded base and injection molded aircraft approved plastic “jaw”.

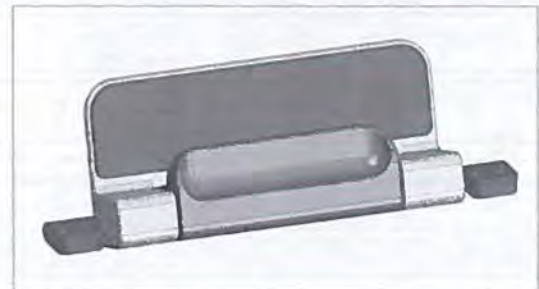


EXHIBIT B

56K

- \$65K/M 1/17 - 12/17 ⇒ Pre Payment TO RETAIN EXCLUSIVITY
- ADD 1 YEAR @ END
- SLIDE MIN ROYALTY BY 1 YEAR
- \$460K RESIDUAL DUE 1/18 TO RETAIN EXCLUSIVITY
- QUARTERLY F-T-F MEETINGS
- MORE PR (TWITTER, RELEASIS)
- JAY @ MORE CUSTOMER MEETINGS
- \$30K/M CONSULTING (NICE & JAY) 12M GUARANTEE
- CONSULTING APPLIES TO MIN ROYALTY

85K
ST

14K
AES

1.6
700 } 1.14
300



EXHIBIT C



November 2016

Astronics AES
and
SmartTray

Background

- AES/ST have been co-marketing the SmartTray product lines
 - Customer visits
 - Trade shows
 - Demos
 - Trials
- Launch was expected mid 2016 with:
 - Aero Mexico
 - WestJet
 - El Al
 - Others identified at signing of agreement
- Adoption rate is slower than expected
- Have we made best efforts to be successful?

Financials

- Investment: ~\$6M in Product Line by AES
 - \$3M Royalty
 - \$1.5M Design, Tooling, Engineering,...
 - \$1M Consulting Services to ST
 - \$.5M Demos, Travel, Trials, ...
- Revenue:
 - No revenue to date (except UAL extension)

Revenue Forecast

	Q1 '17	Q2 '17	Q3 '17	Q4 '17	Q1 '18	Q2 '18	Q3 '18	Q4 '18	TOTAL
AVIO International	\$22,850	\$31,350	\$31,350	\$35,950	\$0	\$0	\$0	\$0	
HAECO	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	
B/E Aerospace	\$0	\$0	\$8,500	\$8,500	\$8,500	\$8,500	\$17,000	\$17,000	
ZIM	\$0	\$0	\$0	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500	
Air Lease Corp.	\$0	\$0	\$0	\$0	\$22,320	\$22,320	\$44,640	\$89,280	
JetBlue X1	\$0	\$0	\$0	\$1,038,375	\$1,038,375	\$1,038,375	\$1,038,375	\$0	
JetBlue X4	\$0	\$0	\$0	\$43,875	\$43,875	\$43,875	\$43,875	\$0	
WestJet	\$0	\$0	\$0	\$381,600	\$381,600	\$0	\$0	\$0	
LATAM X1	\$0	\$0	\$0	\$1,005,750	\$1,005,750	\$1,005,750	\$1,005,750	\$0	
LATAM X4	\$0	\$0	\$0	\$230,400	\$230,400	\$230,400	\$230,400	\$0	
Cathay	\$0	\$0	\$501,600	\$501,600	\$501,600	\$499,200	\$0	\$0	
Next Customer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Next Customer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Grand total	\$39,850	\$48,350	\$56,850	\$2,769,950	\$2,756,320	\$2,374,720	\$2,405,540	\$131,780	\$10,583,360

Original AES-ST Agreement

- Highlights of Agreement:
 - Exclusive
 - Contact many customers
 - Protect ST IP
 - Royalties paid on revenue
 - Minimum royalties
 - ST retains non-aerospace markets
 - ST retains all advertising revenue
 - Retain ST on Consulting Services Agreement
 - AES and ST use best efforts to win business...
modify agreement if efforts don't create revenue

AES-ST Plan Going Forward

- AES Desires:
 - Maintain exclusivity
 - Major investment in product and customer outreach
 - Close to “tipping point” in market acceptance
 - Great relationships with ST and customers
 - Make product a success
 - Retain Nick and Jay on Consulting Agreement
 - Align royalties to revenue (expense to income)
 - ROI on AES investments

AES-ST Plan Going Forward

- ST Desires
 - 1:
 - 2:
 - 3:
 - 4:
 - 5:

Out of the Box Options

- AES allow ST to use AES tooling and supplier for non-aero business
- AES sell kits to ST at “cost” for non-aero

AES-ST Plan Going Forward

1. \$65K/M 1/17-12/17 prepayment to royalty & retain exclusivity
 2. Slide min royalties 12 months and retain exclusivity (adds 1 year)
 3. \$15K/M/person 12-month guaranteed consulting (Nick/Jay) toward min royalty
 4. \$460K due 1/18 to retain exclusivity (\$1.6M - \$780K - \$360K)
 5. AES pay travel and incidentals
 6. AES sell kits to ST at “cost” (or allow ST access to AES suppliers). AES quote both ways (direct and indirect)
 7. Amendment with start date Jan 1, 2017
- Other
1. Quarterly (min) face-to-face meeting (AES-ST)
 2. More PR
 3. Jay at more customer meetings
 4. AES pay UAL royalty to ST (on portion of \$360K)