TERM SHEET

SYNPAT PROGRAM - ACQUISITION OF \_\_\_ PATENTS, \_\_\_\_\_\_, 2012

The purpose of this Term Sheet is to facilitate discussions between Syndicated Patent Acquisitions Corp. (**“SynPat”**) and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (**“Seller”**) concerning the possible acquisition of certain of Seller’s patents by SynPat. This Term Sheet does not constitute a binding proposal or offer by SynPat or Seller, except as provided herein. A binding purchase commitment can only result from the execution of a mutually satisfactory Patent Purchase Agreement (**“PPA”**) between SynPat and Seller that incorporates the terms of this Term Sheet, except as such terms may be modified by mutual agreement. Notwithstanding the foregoing, in consideration of the time and expense devoted, and to be devoted, to these negotiations, the Exclusivity and Confidentiality provisions hereunder shall be binding on the parties whether or not a PPA is executed.

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| **Acquisition:** | SynPat will acquire from Seller all of the patents and patent applications listed in Appendix A together with their foreign counterparts (**“Patents”**). |
| **Consideration:** | As compensation for the sale of the Patents, Seller shall be entitled to both:  1. the Purchase Price as defined in Appendix B, which will be paid at Closing, and  2. one third (33.3%) of any and all revenue generated by SynPat under the Monetization Plan. |
| **Purchase Option** | SynPat shall have the exclusive right, but not the obligation, to purchase the Patents for the Consideration at any time during a Diligence Period of one hundred (100) days from signing the PPA. |
| **Good Faith Negotiation:** | Upon execution of this Term Sheet, the parties will enter into good faith negotiations to execute a PPA consistent with the terms and conditions herein, during which, Seller will not solicit or participate in any discussions with or provide any information to any third party concerning the possible sale of the Patents or any other transaction that would be inconsistent with the sale contemplated by this Term Sheet. |
| **Conditions to Closing:** | Closing of the acquisition will be subject to the formation, by SynPat at its sole expense, of an acquisition syndication in an amount equal to the Purchase Price, as well as to customary closing conditions, including the absence of any breach of any representations and warranties, and the absence of material adverse changes in the legal status of the Patents. |
| **Closing:** | At the Closing, SynPat will:  1. Pay the Purchase Price to Seller, obtain ownership of the Patents, and grant Seller a limited license-back under the Patents.  2. License the companies that participated in the acquisition syndication (the **“Participants”**).  3. Begin implementation of the Monetization Plan. |
| **Monetization Plan:** | Licensing Phase:  Immediately after the Closing, and for a period of no longer than six (6) months thereafter, SynPat will offer operating companies that chose not to participate initially in the acquisition syndication an opportunity to acquire licenses under the Patents at a price that is 1.5 times the price paid by a Participant of a similar size, i.e., a premium of 50%.  Sale:  Upon completion of the Licensing Phase, SynPat will sell the Patents to (at Seller’s option):  1. an operating company, subject to Seller’s right of first refusal, or  2. a patent enforcement entity that specializes in the assertion of patent infringement claims in court.  All revenues generated by SynPat from the Licensing Phase and the Sale will be split as follows:  one-third (33.3%) to Seller;  one-third (33.3%) to the Participants (up to the Purchase Price); and  the remainder to SynPat. |
| **Confidentiality:** | The terms included herein are deemed confidential and unless required by law, a party shall not use or disclose any of them other than to further the purpose of this Term Sheet. |

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| SynPat |  | Seller |
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| By Title |  | By Title |

**EXHIBIT A**

U.S. Patents & Applications:

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| --- | --- | --- | --- | --- |
| U.S. Patent No. | U.S. Appl. No. | Filing Date | Issue Date | Title |
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**EXHIBIT B**

Purchase Price: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_