

# MEDICAL INNOVATION HOLDINGS, INC.

## **FORM 8-K** (Current report filing)

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**  
**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934  
Date of Report: June 28, 2011

**MEDINA INTERNATIONAL HOLDINGS, INC.**  
(Exact name of registrant as specified in its charter)

Colorado

000-27211

84-1469319

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(State or other jurisdiction of  
incorporation)

-----  
(Commission File  
Number)

-----  
(IRS Employer Identification  
Number)

1802 Pomona Rd., Corona, CA 92880  
(Address of Principal Executive Offices) (Zip Code)

(909) 522-4414  
Registrant's telephone number, including area code

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

## SECTION 1 - REGISTRANT'S BUSINESS AND OPERATIONS

### Item 1.01 Entry into a Material Definitive Agreement

#### Contribution and Exchange Agreement

On June 28, 2011, Medina International Holdings, Inc. ("the Company") entered into a Contribution and Exchange Agreement with WinTec Protective Systems, Inc. ("WinTec.") As part of the Contribution and Exchange Agreement, the Company agreed to issue 3,000,000 shares of its restricted common stock in exchange for 20,400,000 shares of the common stock of WinTec. As a result of such exchange, the Company holds 51% of the issued and outstanding common stock of WinTec, making WinTec a subsidiary of the Company.

Wintec was incorporated in the State of Texas. Wintec's Operations are located in Houston, Texas. Wintec has developed various products such as CORTAIN, Hydro-Tain, Blast Block. Medina International Holdings, Inc. has first right to use a CORTAIN, anti-corrosion material for small marine craft.

As part of the Contribution and Exchange Agreement, the Company has agreed to register the 3,000,000 shares issued with the Securities and Exchange Commission ("SEC") for resale by WinTec. If any of the following occur:

- (i) the Registration Statement is not filed on or before the Required Filing Date,
- (ii) the Registration Statement is not declared effective on or before the Required Effective Date, or
- (iii) the Registration Statement is declared effective but cease to be effective for a period of time which shall exceed forty (40) days in the aggregate per year (defined as a period of 365 days commencing on the date the Registration Statement is declared effective)

then the Company will be required to pay WinTec an amount equal to one-half percent (0.5%) of the fair market value of the 3,000,000 shares of the Company's common stock on the first business day after the non-registration event and for each subsequent thirty (30) day period (pro rata for any period less than thirty (30) days) which are subject to such Non-Registration Event.

#### Stock Redemption and Purchase Agreement

Concurrent with the signing of the Contribution and Exchange Agreement, the Company also entered into a Stock Redemption and Purchase Agreement with WinTec. The Stock Redemption and Purchase Agreement provides that provides WinTec the right to repurchase 12,400,000 shares of its common stock held by the Company upon the closing of the Contribution and Exchange Agreement in exchange for \$1,500,000. In addition, the Company has agreed to issue to WinTec an option to purchase up to 3,000,000 shares of its restricted common stock at an exercise price of \$0.10 per share.

WinTec has agreed to issue 1,533,33 shares of the WinTec common stock, that is redeemed to consultants of WinTec, pursuant to consulting agreements to be entered into with such consultants in the near future.

The Stock Redemption and Purchase Agreement provides that the WinTec Board of Directors shall be reduced from 7 to 6 directors and that the Company will have the ability to appoint 2 of the directors.

Upon the completion of the Stock Redemption and Purchase Agreement, the Company will hold 8,000,000 shares of WinTec, representing 28.99% of the issued and outstanding common stock of WinTec.

## **Loan Agreement and Revolving Promissory Note**

Concurrent to the signing of the Contribution and Exchange Agreement, the Company entered into a Loan Agreement and Revolving Promissory Note with WinTec. As part of the Loan Agreement, the Company has agreed to lend to WinTec \$1,500,000 cash to be used by WinTec to expand its business operations, which includes at some future point moving their laboratory facility from Texas to California.

The Loan Agreement provides for the funds to be delivered to WinTec in three tranches, as set forth below:

- Fifty Thousand Dollars (\$50,000) upon execution of the loan documentation, and
- Four Hundred Fifty Thousand (\$450,000) 30 days after the execution of the loan documentation and
- One Million (\$1,000,000) shall be funded at such times, and in such amounts, as requested by WinTec.

The Loan Agreement provides for the Company to be issued an exclusive license for the use of WinTec's anti-corrosion material for small marine craft, pursuant and the first right of first refusal to exclusively license such intellectual property of WinTec as it may license to third parties.

The Revolving Promissory Note has an annual interest rate of 1% and a term of four (4) years from the date of issuance. The Revolving Promissory Note does not provide for a payment schedule, only that payments will be made as requested by the Company.

## **SECTION 3 - SECURITIES AND TRADING MARKETS**

### **Item 3.02 Unregistered Sales of Equity Securities.**

On June 28, 2011, as part of the Contribution and Exchange Agreement and the Stock Redemption and Purchase Agreement, the Company made the following issuances of its restricted common stock and equity instruments:

- 3,000,000 shares of its restricted common stock to WinTec pursuant to the Contribution and Exchange Agreement in exchange for 20,400,000 shares of the common stock of WinTec.
- 3,000,000 shares of its restricted common stock to WinTec pursuant to the Stock Redemption and Purchase Agreement for \$1,500,000 cash.
- An option to purchase 3,000,000 shares of the Company's restricted common stock at an exercise price of \$0.10 per share to WinTec as part of the Stock Redemption and Purchase Agreement.

## EXEMPTIONS FROM REGISTRATION FOR UNREGISTERED SALES

All of the above sales by the Company of its unregistered securities were made by the Company in reliance upon Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All of the individuals and/or entities that purchased the unregistered securities were known to the Company and its management, through pre-existing business relationships, as long standing business associates and employees. All purchasers were provided access to all material information, which they requested, and all information necessary to verify such information and were afforded access to management of the Company in connection with their purchases. All purchasers of the unregistered securities acquired such securities for investment and not with a view toward distribution, acknowledging such intent to the Company. All certificates or agreements representing such securities that were issued contained restrictive legends, prohibiting further transfer of the certificates or agreements representing such securities, without such securities either being first registered or otherwise exempt from registration in any further resale or disposition.

## SECTION 9 - FINANCIAL STATEMENTS AND EXHIBITS

### Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following is a complete list of exhibits filed as part of this Report. Exhibit numbers correspond to the numbers in the exhibit table of Item 601 of Regulation S-K.

Exhibit No. Description

- 10.1 Contribution and Exchange Agreement, dated June 28, 2011\*
- 10.2 Stock Redemption and Purchase Agreement, dated June 28, 2011\*
- 10.3 Loan Agreement, dated June 28, 2011\*
- 10.4 Revolving Promissory Note, dated June 28, 2011\*
- 10.5 Agreement for Investment and Loan Term Sheet, dated June 28, 2011\*

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\*Filed herewith

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, hereunto duly authorized.

### MEDINA INTERNATIONAL HOLDINGS, INC.

By: /s/Daniel Medina  
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Daniel Medina, President

Date: June 29, 2011

## CONTRIBUTION AND EXCHANGE AGREEMENT

THIS CONTRIBUTION AND EXCHANGE AGREEMENT (this "Agreement") is made and entered into to be effective as of June 28, 2011 (the "Effective Date"), by and between MEDINA INTERNATIONAL HOLDINGS, INC., a California corporation ("MIHI") and WINTEC PROTECTIVE SYSTEMS, INC., a Texas corporation ("WinTec").

### WITNESSETH:

WHEREAS, MIHI has agreed to issue to WinTec three million (3,000,000) shares of common stock of MIHI, \$0.0001 par value per share (the "Contribution Shares"), as a contribution to the capital of WinTec; and

WHEREAS, in exchange for the Contribution Shares, WinTec has agreed to issue to MIHI twenty million four hundred thousand (20,400,000) shares of common stock of WinTec, \$0.001 par value per share (the "Exchange Shares"); and

WHEREAS, the contribution of the Contribution Shares in MIHI to WinTec is intended to qualify as a nontaxable capital contribution and should be treated as such pursuant to Section 351 of the Internal Revenue Code of 1986, as amended.

NOW, THEREFORE, in consideration of the mutual promises herein contained, the parties hereby agree as follows:

### ARTICLE I EXCHANGE AND ISSUANCE OF STOCK

1.1 Issuance of Stock. Upon full execution of this Agreement, MIHI shall sell and issue the Contribution Shares to WinTec, and WinTec shall sell and issue the Exchange Shares to MIHI. Each of the Contribution Shares and the Exchange Shares shall be fully paid and non-assessable shares.

1.2 Acceptance of Bylaws. WinTec hereby unconditionally and irrevocably (i) accepts and assumes, as of the Effective Date, all of the obligations now or hereafter existing as a holder of the Contribution Shares pursuant to the terms and provisions of the Bylaws of MIHI (the "MIHI Agreement"), and (ii) agrees to be bound by the terms and conditions of the MIHI Agreement. MIHI hereby unconditionally and irrevocably (a) accepts and assumes, as of the Effective Date, all of the obligations now or hereafter existing as a holder of the Exchange Shares pursuant to the terms and provisions of the Bylaws of WinTec (the "WinTec Agreement"), and (b) agrees to be bound by the terms and conditions of the WinTec Agreement.

1.3 Admission of Shareholders. The parties hereby agree that from and after the Effective Date, and for all purposes under the MIHI Agreement, WinTec shall become and be admitted as the owner of the Contribution Shares, all references to shareholders in the MIHI Agreement shall be deemed to refer to WinTec as the owner of the Contribution Shares, and WinTec shall be entitled to the full benefits and be bound thereby as a member to the same extent as if an original party thereto. The parties hereby agree that from and after the Effective Date, and for all purposes under the WinTec Agreement, MIHI shall become and be admitted as the owner of the Exchange Shares, all references to shareholders in the WinTec Agreement shall be deemed to refer to MIHI as the owner of the Exchange Shares, and MIHI shall be entitled to the full benefits and be bound thereby as a member to the same extent as if an original party thereto.

1.4 Recognition of Contribution. WinTec agrees to characterize the contribution of the Contribution Shares by MIHI as a contribution to the capital of WinTec, and to issue and deliver the appropriate documents, if any, to MIHI, recognizing such contribution. WinTec further acknowledges and agrees that the issuance of the Exchange Shares to MIHI pursuant to this Agreement is consented to under the provisions of the WinTec Agreement and that all actions required by the WinTec Agreement have been satisfied or waived.

## **ARTICLE II REPRESENTATIONS AND WARRANTIES OF MIHI**

MIHI hereby represents and warrants to WinTec as follows:

2.1 Organization and Standing. MIHI is a corporation duly incorporated, validly existing, and in good standing under the laws of the State of California, and has the requisite corporate power to own its properties and to carry on its business as presently conducted. MIHI is duly qualified as a foreign corporation to do business and is in good standing in each jurisdiction where the nature of the business conducted or property owned by it makes such qualification necessary, other than those jurisdictions in which the failure to so qualify would not have a Material Adverse Effect. For purposes of this Agreement, a "Material Adverse Effect" means any material adverse effect on the business, operations, properties, or financial condition of a party and its Subsidiaries individually, or in the aggregate and/or any condition, circumstance, or situation that would prohibit or otherwise materially interfere with the ability of such party to perform any of its obligations under this Agreement in any material respect. For purposes of this Agreement, "Subsidiary" means, with respect to any entity at any date, any corporation, limited or general partnership, limited liability company, trust, estate, association, joint venture or other business entity of which more than 30% of (i) the outstanding capital stock having (in the absence of contingencies) ordinary voting power to elect a majority of the Board of Directors or other managing body of such entity, (ii) in the case of a partnership or limited liability company, the interest in the capital or profits of such partnership or limited liability company or (iii) in the case of a trust, estate, association, joint venture or other entity, the beneficial interest in such trust, estate, association or other entity business is, at the time of determination, owned or controlled directly or indirectly through one or more intermediaries, by such entity.



2.2 Authorization and Power. MIHI has the requisite power and authority to enter into and perform this Agreement, and to issue the Contribution Shares to WinTec and acquire the Exchange Shares. The execution, delivery, and performance of this Agreement by MIHI and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary corporate action, and no further consent or authorization of MIHI or its Board of Directors is required. This Agreement has been duly authorized, executed, and delivered by MIHI and constitutes a valid and binding obligation of MIHI, enforceable against MIHI in accordance with the terms hereof.

2.3 No Conflicts. The execution, delivery, and performance of this Agreement and the consummation by MIHI of the transactions contemplated hereby or relating hereto do not and will not (a) result in a violation of MIHI's charter documents or bylaws or other organizational documents, or (b) conflict with, or constitute a default (or an event which, with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration, or cancellation, of any agreement, indenture, or instrument or obligation to which MIHI is a party or by which its properties or assets are bound, or result in a violation of any law, rule, or regulation, or any order, judgment, or decree of any court or governmental agency applicable to MIHI or its properties (except for such conflicts, defaults, and violations as would not, individually or in the aggregate, have a Material Adverse Effect on MIHI). MIHI is not required to obtain any consent, authorization, or order of, or make any filing or registration with, any court or governmental agency, or the Over the Counter Bulletin Board (the "Bulletin Board"), in order for it to execute, deliver, or perform any of its obligations under this Agreement or to acquire the Exchange Shares in accordance with the terms hereof, provided that for purposes of the representation made in this sentence, MIHI is assuming and relying upon the accuracy of the relevant representations and agreements of WinTec herein.

2.4 Acquisition for Investment. MIHI is acquiring the Exchange Shares solely for its own account for the purpose of investment and not with a view to or for resale in connection with a distribution. MIHI does not have a present intention to sell the Exchange Shares, nor a present arrangement (whether or not legally binding) or intention to effect any distribution of the Exchange Shares to or through any person or entity; provided, however, that by making the representations herein and subject to Section 2.8 below, MIHI does not agree to hold the Exchange Shares for any minimum or other specific term and reserves the right to dispose of the Exchange Shares at any time in accordance with Federal and state securities laws applicable to such disposition. MIHI acknowledges that it is able to bear the financial risks associated with an investment in the Exchange Shares and that it has been given full access to such records of WinTec and to the officers of WinTec and received such information as it has deemed necessary or appropriate to conduct its due diligence investigation of WinTec and has sufficient knowledge and experience in investing in companies similar to WinTec in terms of WinTec's stage of development so as to be able to evaluate the risks and merits of its investment in WinTec. MIHI further acknowledges that the purchase of the Exchange Shares involves substantial risk.

2.5 Information on WinTec. MIHI has been furnished with or had access to such information concerning the operations, financial condition, and other matters regarding WinTec as MIHI has requested in writing, and considered all factors that MIHI deems material in deciding on the advisability of investing in the Exchange Shares.

2.6 Opportunities for Additional Information. MIHI acknowledges that it has had the opportunity to ask questions of and receive answers from, or obtain additional information from, the executive officers of WinTec concerning the financial and other affairs of WinTec.

2.7 Information on MIHI. MIHI is, and will be on the date of issuance of the Exchange Shares, an "accredited investor", as such term is defined in Regulation D promulgated by the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933 (the "Act"), is experienced in investments and business matters, has made investments of a speculative nature and has Exchange Shares of corporations domiciled in the United States in the past and, with its representatives, has such knowledge and experience in financial, tax, and other business matters as to enable MIHI to utilize the information made available by WinTec to evaluate the merits and risks of and to make an informed investment decision with respect to the purchase of the Exchange Shares, which represents a speculative investment. MIHI has the authority and is duly and legally qualified to purchase and own the Exchange Shares. MIHI is able to bear the risk of such investment for an indefinite period of time and to afford a complete loss thereof. The information set forth in this Agreement regarding MIHI is accurate.

2.8 Compliance with the Act. MIHI understands and agrees that the Exchange Shares has not been registered under the Act or any applicable state securities laws, by reason of its issuance in a transaction that does not require registration under the Act (based in part on the accuracy of the representations and warranties of MIHI contained herein), and that such Exchange Shares must be held indefinitely unless a subsequent disposition is registered under the Act or any applicable state securities laws or is exempt from such registration. MIHI acknowledges that it is familiar with Rule 144 of the SEC's rules and regulations, as amended, promulgated pursuant to the Act ("Rule 144"), and that MIHI has been advised that Rule 144 permits resales only under certain circumstances. MIHI understands that to the extent that Rule 144 is not available, MIHI will be unable to sell any Exchange Shares without either registration under the Act or the existence of another exemption from such registration requirement.

2.9 Legend. The Exchange Shares shall bear the following or similar legend:

THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR APPLICABLE STATE SECURITIES LAWS. THESE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED, OR ASSIGNED IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT, OR OTHERWISE. NOTWITHSTANDING THE FOREGOING, THESE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THESE SECURITIES.

2.10 Communication of Offer. The offer to sell the Exchange Shares was directly communicated to MIHI by WinTec. At no time was MIHI presented with or solicited by any leaflet, newspaper or magazine article, radio or television advertisement, or any other form of general advertising or solicited or invited to attend a promotional meeting otherwise than in connection and concurrently with such communicated offer.

2.11 Restricted Securities. MIHI understands that the Exchange Shares has not been registered under the Act and MIHI will not sell, offer to sell, assign, pledge, hypothecate or otherwise transfer any of the Exchange Shares unless pursuant to an effective registration statement under the Act, or unless an exemption from registration is available. Notwithstanding anything to the contrary contained in this Agreement, MIHI may transfer (without restriction and without the need for an opinion of counsel) the Exchange Shares to its Affiliates (as defined below) provided that each such Affiliate is an "accredited investor" under Regulation D and such Affiliate agrees to be bound by the terms and conditions of this Agreement. For the purposes of this Agreement, an "Affiliate" of any person or entity means any other person or entity directly or indirectly controlling, controlled by or under direct or indirect common control with such person or entity. Affiliate includes each Subsidiary of MIHI. For purposes of this definition, "control" means the power to direct the management and policies of such person or firm, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

2.12 No Governmental Review. MIHI understands that no United States Federal or state agency or any other governmental or state agency has passed on or made recommendations or endorsement of the Exchange Shares or the suitability of the investment in the Exchange Shares nor have such authorities passed upon or endorsed the merits of the offering of the Exchange Shares.

2.13 Correctness of Representations. MIHI represents that the foregoing representations and warranties are true and correct as of the date hereof and as of the date of issuance of the Exchange Shares. MIHI understands that the Exchange Shares is being offered and sold in reliance on a transactional exemption from the registration requirement of Federal and state securities laws and WinTec is relying upon the truth and accuracy of the representations, warranties, agreements, acknowledgments and understandings of MIHI set forth herein in order to determine the applicability of such exemptions and the suitability of MIHI to acquire the Exchange Shares.

2.14 Outstanding Stock. All issued and outstanding shares of capital stock and equity interests in MIHI, including the Contribution Shares, have been duly authorized and validly issued and are fully paid and non-assessable.

2.15 Contribution Shares. The Contribution Shares, upon issuance:

(a) are, or will be, free and clear of any security interests, liens, claims or other encumbrances, subject only to restrictions upon transfer under the Act and any applicable state securities laws;

(b) have been, or will be, duly and validly authorized and on the date of issuance of the Contribution Shares, the Contribution Shares will be duly and validly issued, fully paid and nonassessable or if resold in a transaction registered pursuant to the Act and pursuant to an effective registration statement or exempt from registration will be free trading, unrestricted and unlegended;

(c) will not have been issued or sold in violation of any preemptive or other similar rights of the holders of any securities of MIHI or rights to acquire securities of MIHI; and

(d) will not subject the holders thereof to personal liability by reason of being such holders.

2.16 Litigation. There is no pending or, to the best knowledge of MIHI, threatened action, suit, proceeding or investigation before any court, governmental agency or body, or arbitrator having jurisdiction over MIHI, or any of its Affiliates that would affect the execution by MIHI or the complete and timely performance by MIHI of its obligations under this Agreement.

2.17 No Market Manipulation. MIHI and its Affiliates have not taken, and will not take, directly or indirectly, any action designed to, or that might reasonably be expected to, cause or result in stabilization or manipulation of the price of the common stock to facilitate the sale or resale of the Contribution Shares or affect the price at which the Contribution Shares may be issued or resold.

2.18 Defaults. MIHI is not in material violation of its articles of incorporation or bylaws. MIHI is (i) not in default under or in violation of any other material agreement or instrument to which it is a party or by which it or any of its properties are bound or affected, which default or violation would have a Material Adverse Effect, (ii) not in default with respect to any order of any court, arbitrator or governmental body or subject to or party to any order of any court or governmental authority arising out of any action, suit or proceeding under any statute or other law respecting antitrust, monopoly, restraint of trade, unfair competition or similar matters which default would have a Material Adverse Effect, or (iii) not in violation of any statute, rule or regulation of any governmental authority which violation would have a Material Adverse Effect.

2.19 No Integrated Offering. Neither MIHI, nor any of its Affiliates, nor any person acting on its or their behalf, has directly or indirectly made any offers or sales of any security of MIHI nor solicited any offers to buy any security of MIHI under circumstances that would cause the issuance of the Contribution Shares pursuant to this Agreement to be integrated with prior offerings by MIHI for purposes of the Act or any applicable stockholder approval provisions, including, without limitation, under the rules and regulations of the Bulletin Board. No prior offering will impair the exemptions relied upon in this Agreement or MIHI's ability to timely comply with its obligations hereunder. Neither MIHI nor any of its Affiliates will take any action or steps that would cause the offer or issuance of the Contribution Shares to be integrated with other offerings which would impair the exemptions relied upon in this Agreement or MIHI's ability to timely comply with its obligations hereunder. MIHI will not conduct any offering other than the transactions contemplated hereby that may be integrated with the offer or issuance of the Contribution Shares that would impair the exemptions relied upon in this Agreement or MIHI's ability to timely comply with its obligations hereunder.

2.20 No General Solicitation. Neither MIHI, nor any of its Affiliates, nor to its knowledge, any person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D or Regulation S under the Act) in connection with the offer or sale of the Contribution Shares.

2.21 Dilution. MIHI's executive officers and directors understand the nature of the Contribution Shares being sold hereby and recognize that the issuance of the Contribution Shares will have a potential dilutive effect on the equity holdings of other holders of MIHI's equity or rights to receive equity of MIHI. The Board of Directors of MIHI has concluded, in its good faith business judgment that the issuance of the Contribution Shares is in the best interests of MIHI. MIHI specifically acknowledges that its obligation to issue the Contribution Shares is binding upon MIHI and enforceable regardless of the dilution such issuance may have on the ownership interests of other shareholders of MIHI or parties entitled to receive equity of MIHI.

2.22 Foreign Corrupt Practices. Neither MIHI, nor to the knowledge of MIHI, any agent or other person acting on behalf of MIHI, has (a) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (b) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (c) failed to disclose fully any contribution made by MIHI (or made by any person acting on its behalf of which MIHI is aware) which is in violation of law, or (d) violated in any material respect any provision of the Foreign Corrupt Practices Act of 1977, as amended (the "FCPA").

2.23 Reporting Company. MIHI is a publicly-held company subject to reporting obligations pursuant to Section 13 of the Securities Exchange Act of 1934, as amended (the "1934 Act"). Pursuant to the provisions of the 1934 Act, MIHI has timely filed all reports and other materials required to be filed thereunder with the SEC during the preceding twelve (12) months.

2.24 Listing. MIHI's common stock is quoted on the Bulletin Board currently under the symbol "MIHI". MIHI has not received any oral or written notice that its common stock is not eligible nor will become ineligible for quotation on the Bulletin Board nor that its common stock does not meet all requirements for the continuation of such quotation. MIHI satisfies all the requirements for the continued quotation of its common stock on the Bulletin Board.

2.25 Sarbanes-Oxley Act. MIHI is in material compliance with the applicable provisions of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), and the rules and regulations promulgated thereunder, that are effective and for which material compliance by MIHI is required as of the date hereof.

2.26 PFIC. Neither MIHI nor any of its Subsidiaries is or intends to become a "passive foreign investment company" within the meaning of Section 1297 of the U.S. Internal Revenue Code of 1986, as amended.

2.27 OFAC. Neither MIHI nor any of its Subsidiaries nor, to the knowledge of MIHI, any director, officer, agent, employee, Affiliate or person acting on behalf of any of MIHI or any of its Subsidiaries, is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC"); and MIHI will not directly or indirectly use the proceeds of the sale of the Contribution Shares, or lend, contribute or otherwise make available such proceeds to any subsidiary of MIHI, joint venture partner or other person or entity, towards any sales or operations in Cuba, Iran, Syria, Sudan, Myanmar or any other country sanctioned by OFAC or for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

2.28 Money Laundering Laws. The operations of each of MIHI and its Subsidiaries are and have been conducted at all times in compliance with the money laundering requirements of all applicable governmental authorities and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental authority (collectively, the "Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental authority or any arbitrator involving any of MIHI or any of its Subsidiaries with respect to the Money Laundering Laws is pending or, to the best knowledge of MIHI, threatened.

2.29 Stop Orders. MIHI will advise WinTec, within twenty-four (24) hours after it receives notice of issuance by the SEC, any state securities commission, or any other regulatory authority of any stop order or of any order preventing or suspending any offering of any securities of MIHI, or of the suspension of the qualification of the common stock of MIHI for offering or sale in any jurisdiction, or the initiation of any proceeding for any such purpose. MIHI will not issue any stop transfer order or other order impeding the sale, resale or delivery of any of the Contribution Shares, except as may be required by any applicable federal or state securities laws and unless contemporaneous notice of such instruction is given to WinTec.

2.30 Listing/Quotation. MIHI will maintain the quotation or listing of its common stock on the Bulletin Board, or any successor exchange, and will comply in all respects with MIHI's reporting, filing and other obligations under the bylaws or rules of the Bulletin Board, as applicable, as long as any Contribution Shares are outstanding. MIHI will provide WinTec with copies of all notices it receives notifying MIHI of the threatened and actual delisting of the common stock from the Bulletin Board.

2.31 Market Regulations. If required, MIHI shall notify the SEC, the Bulletin Board and applicable state authorities, in accordance with their requirements, of the transactions contemplated by this Agreement, and shall take all other necessary action and proceedings as may be required and permitted by applicable law, rule and regulation, for the legal and valid issuance of the Contribution Shares to WinTec and promptly provide copies thereof to WinTec.

2.32 Filing Requirements. From the date of this Agreement and until the last to occur of (a) one (1) year after Effective Date, or (b) until the Contribution Shares can be resold or transferred by WinTec pursuant to Rule 144(b)(1)(i) (the date of such latest occurrence being the "End Date"), MIHI will (i) comply in all respects with its reporting and filing obligations under the 1934 Act, and (ii) comply with all requirements related to any registration statement filed pursuant to this Agreement. MIHI will use its best efforts not to take any action or file any document (whether or not permitted by the Act or the 1934 Act or the rules thereunder) to terminate or suspend such registration or to terminate or suspend its reporting and filing obligations under said acts until the End Date. Until the End Date, MIHI will continue the listing or quotation of the common stock on the Bulletin Board and will comply in all respects with MIHI's reporting, filing and other obligations under the bylaws or rules of the Bulletin Board. MIHI agrees to timely file a Form D with respect to the Contribution Shares if required under Regulation D and to provide a copy thereof to WinTec promptly after such filing.

### 2.33 Registration Rights.

(a) **Registration Statement Requirements.** MIHI shall file with the SEC a Form S-1 registration statement (the "Registration Statement") (or such other form that it is eligible to use) in order to register all or such portion of the Contribution Shares as permitted by the SEC (provided that MIHI shall use diligent efforts to advocate with the SEC for the registration of all of the Contribution Shares) pursuant to Rule 415 for resale and distribution under the Act on or before the date which is forty five (45) calendar days after the Effective Date (the "Required Filing Date"), and use its best efforts to cause the Registration Statement to be declared effective by the date (the "Required Effective Date") which is not later than the earlier of (x) one hundred twenty (120) calendar days after the Effective Date, or (y) three (3) business days after oral or written notice to MIHI or its counsel from the SEC that it may be declared effective. MIHI will register not less than all of the Contribution Shares. The Registration Statement shall also state that, in accordance with Rules 416 and 457 under the Act, it also covers such indeterminate number of additional shares of common stock as may become issuable with respect to the Contribution Shares to prevent dilution resulting from stock splits, stock dividends or similar transactions.

(b) **Registration Procedures.** If and whenever MIHI is required by the provisions of Section 2.33(a) to effect the registration of any Contribution Shares under the Act, MIHI will, as expeditiously as possible:

(i) subject to the timelines provided in this Agreement, prepare and file with the SEC a Registration Statement required by Section 2.33, with respect to such securities and use its best commercially reasonable efforts to cause such Registration Statement to become and remain effective, and promptly provide to WinTec copies of all filings and SEC letters of comment and notify WinTec on or before the second business day thereafter that MIHI receives notice that (i) the SEC has no comments or no further comments on the Registration Statement, and (ii) the Registration Statement has been declared effective;

(ii) prepare and file with the SEC such amendments and supplements to such Registration Statement as may be necessary to keep such Registration Statement effective until such Registration Statement has been effective for the later of (a) a period of one (1) year, or (b) until the Contribution Shares can be sold by WinTec pursuant to Rule 144 without volume restrictions;

(iii) furnish to WinTec such number of copies of the Registration Statement as WinTec reasonably may request in order to facilitate the public sale or their disposition of the Contribution Shares or make them electronically available;



(iv) use its reasonable best efforts to register or qualify the Contribution Shares under the securities or "blue sky" laws of such jurisdictions as WinTec shall request in writing, provided, however, that MIHI shall not for any such purpose be required to qualify to transact business as a foreign corporation in any jurisdiction where it is not so qualified or to consent to service of process in any such jurisdiction; and

(v) list the Contribution Shares with any securities exchange on which the common stock of MIHI is then listed.

(c) Provision of Documents. It shall be a condition precedent to the obligations of MIHI to complete the registration pursuant to this Agreement with respect to the Contribution Shares that WinTec shall furnish to MIHI in writing such information and representation letters with respect to itself as MIHI may reasonably request to assure compliance with Federal and applicable state securities laws.

(d) Non-Registration Events. MIHI and WinTec agree that WinTec will suffer damages if the Registration Statement is not filed by the Required Filing Date and not declared effective by the SEC by the Required Effective Date or if, after it is declared effective, its effectiveness is not maintained in the manner and within the time periods contemplated by Section 2.33 hereof, and it would not be feasible to ascertain the extent of such damages with precision. Accordingly, if (i) the Registration Statement is not filed on or before the Required Filing Date, (ii) the Registration Statement is not declared effective on or before the Required Effective Date, or (iii) the Registration Statement is declared effective but shall thereafter cease to be effective for a period of time which shall exceed forty (40) days in the aggregate per year (defined as a period of 365 days commencing on the date the Registration Statement is declared effective) (each such event referred to in clauses i through iii of this Section 2.33(d), a "Non-Registration Event"), then MIHI shall deliver to WinTec, as liquidated damages ("Liquidated Damages"), an amount equal to one-half percent (0.5%) of the fair market value of the Contribution Shares on the first business day after the Non-Registration Event and for each subsequent thirty (30) day period (pro rata for any period less than thirty (30) days) which are subject to such Non-Registration Event. The maximum aggregate Liquidated Damages payable to WinTec under this Agreement shall be nine percent (9%) of the aggregate fair market value of the Contribution Shares. MIHI must pay the Liquidated Damages in cash. In the event a Registration Statement is filed by the Required Filing Date but is withdrawn prior to being declared effective by the SEC, then such Registration Statement will be deemed to have not been filed.

(e) Expenses. All expenses incurred by MIHI in complying with Section 2.33, including, without limitation, all registration and filing fees, printing expenses (if required), fees and disbursements of counsel and independent public accountants for MIHI, fees and expenses (including reasonable counsel fees) incurred in connection with complying with state securities or "blue sky" laws, fees of the FINRA, transfer taxes, and fees of transfer agents and registrars, are called "Registration Expenses". MIHI will pay all Registration Expenses in connection with any registration statement described in Section 2.33.

(f) Indemnification and Contribution.

(i) In the event of a registration of any Contribution Shares under the Act pursuant to Section 2.33, MIHI will, to the extent permitted by law, indemnify and hold harmless WinTec, each of the officers, directors, agents, Affiliates, members, managers, control persons, and principal shareholders of WinTec, each underwriter of such Contribution Shares thereunder and each other person, if any, who controls WinTec within the meaning of the Act, against any losses, claims, damages or liabilities, joint or several, to which WinTec, or such underwriter or controlling person may become subject under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any Registration Statement under which such Contribution Shares was registered under the Act pursuant to Section 2.33, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances when made, and will subject to the provisions of Section 2.33(f)(iii) reimburse WinTec, each such underwriter and each such controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that MIHI shall not be liable to WinTec to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission so made in conformity with information furnished by WinTec in writing specifically for use in such Registration Statement.

(ii) In the event of a registration of any of the Contribution Shares under the Act pursuant to Section 2.33, WinTec will, to the extent permitted by law, indemnify and hold harmless MIHI, and each person, if any, who controls MIHI within the meaning of the Act, each officer of MIHI who signs the Registration Statement, each director of MIHI, each underwriter and each person who controls any underwriter within the meaning of the Act, against all losses, claims, damages or liabilities, joint or several, to which MIHI or such officer, director, underwriter or controlling person may become subject under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement under which such Contribution Shares were registered under the Act pursuant to Section 2.33, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse MIHI and each such officer, director, underwriter and controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action, provided, however, that WinTec will be liable hereunder in any such case if and only to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in reliance upon and in conformity with information pertaining to WinTec furnished in writing to MIHI by WinTec specifically for use in such Registration Statement, and provided, further, however, that the liability of WinTec hereunder shall be limited to the net proceeds actually received by WinTec from the sale of Contribution Shares pursuant to such Registration Statement.

(iii) Promptly after receipt by an indemnified party hereunder of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party hereunder, notify the indemnifying party in writing thereof, but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to such indemnified party other than under this Section 2.33(f)(iii) and shall only relieve it from any liability which it may have to such indemnified party under this Section 2.33(f)(iii), except and only if and to the extent the indemnifying party is prejudiced by such omission. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate in and, to the extent it shall wish, to assume and undertake the defense thereof with counsel satisfactory to such indemnified party, and, after notice from the indemnifying party to such indemnified party of its election so to assume and undertake the defense thereof, the indemnifying party shall not be liable to such indemnified party under this Section 2.33(f)(iii) for any legal expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation and of liaison with counsel so selected, provided, however, that, if the defendants in any such action include both the indemnified party and the indemnifying party and the indemnifying party shall have reasonably concluded that there may be reasonable defenses available to indemnified party which are different from or additional to those available to the indemnifying party or if the interests of the indemnified party reasonably may be deemed to conflict with the interests of the indemnifying party, the indemnified parties, as a group, shall have the right to select one separate counsel, reasonably satisfactory to the indemnified and indemnifying party, and to assume such legal defenses and otherwise to participate in the defense of such action, with the reasonable expenses and fees of such separate counsel and other expenses related to such participation to be reimbursed by the indemnifying party as incurred.

(iv) In order to provide for just and equitable contribution in the event of joint liability under the Act in any case in which either (i) WinTec, or any controlling person of WinTec, makes a claim for indemnification pursuant to this Section 2.33(f) but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case notwithstanding the fact that this

Section 2.33(f) provides for indemnification in such case, or

(ii) contribution under the Act may be required on the part of WinTec or controlling person of WinTec in circumstances for which indemnification is not provided under this Section 2.33(f); then, and in each such case, MIHI and WinTec will contribute to the aggregate losses, claims, damages or liabilities to which they may be subject (after contribution from others) in such proportion so that WinTec is responsible only for the portion represented by the percentage that the public offering price of its securities offered by the Registration Statement bears to the public offering price of all securities offered by such Registration Statement, provided, however, that, in any such case, (y) WinTec will not be required to contribute any amount in excess of the public offering price of all such securities sold by it pursuant to such Registration Statement; and (z) no person or entity guilty of fraudulent misrepresentation (within the meaning of Section 10(f) of the Act) will be entitled to contribution from any person or entity who was not guilty of such fraudulent misrepresentation and provided, further, however, that the liability of WinTec hereunder shall be limited to the net proceeds actually received by WinTec from the sale of Contribution Shares pursuant to such Registration Statement.

2.34 Survival. The foregoing representations and warranties shall survive after the Effective Date.

2.35 No Brokers. Neither MIHI nor any Subsidiary has taken any action which would give rise to any claim by any person for brokerage commissions, finder's fees or similar payments relating to this Agreement or the transactions contemplated hereby.

### **ARTICLE III REPRESENTATIONS AND WARRANTIES OF WINTEC**

WinTec hereby represents and warrants to MIHI as follows:

3.1 Organization and Standing. WinTec is a corporation duly incorporated, validly existing, and in good standing under the laws of the State of Texas, and has the requisite corporate power to own its properties and to carry on its business as presently conducted.

3.2 Authorization and Power. WinTec has the requisite power and authority to enter into and perform this Agreement, and to issue the Exchange Shares to MIHI and acquire the Contribution Shares. The execution, delivery, and performance of this Agreement by WinTec and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary corporate action, and no further consent or authorization of WinTec or its Board of Directors is required. This Agreement has been duly authorized, executed, and delivered by WinTec and constitutes a valid and binding obligation of WinTec, enforceable against WinTec in accordance with the terms hereof.

3.3 No Conflicts. The execution, delivery, and performance of this Agreement and the consummation by WinTec of the transactions contemplated hereby or relating hereto do not and will not (a) result in a violation of WinTec's charter documents or bylaws or other organizational documents, or (b) conflict with, or constitute a default (or an event which, with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration, or cancellation, of any agreement, indenture, or instrument or obligation to which WinTec is a party or by which its properties or assets are bound, or result in a violation of any law, rule, or regulation, or any order, judgment, or decree of any court or governmental agency applicable to WinTec or its properties (except for such conflicts, defaults, and violations as would not, individually or in the aggregate, have a Material Adverse Effect on WinTec). WinTec is not required to obtain any consent, authorization, or order of, or make any filing or registration with, any court or governmental agency in order for it to execute, deliver, or perform any of its obligations under this Agreement or to acquire the Contribution Shares in accordance with the terms hereof, provided that for purposes of the representation made in this sentence, WinTec is assuming and relying upon the accuracy of the relevant representations and agreements of MIHI herein.

3.4 Compliance with the Act. WinTec understands and agrees that the Contribution Shares has not been registered under the Act or any applicable state securities laws, by reason of its issuance in a transaction that does not require registration under the Act, and that such Contribution Shares must be held indefinitely unless a subsequent disposition is registered under the Act or any applicable state securities laws or is exempt from such registration. WinTec acknowledges that it is familiar with Rule 144, and that WinTec has been advised that Rule 144 permits resales only under certain circumstances. WinTec understands that to the extent that Rule 144 is not available, WinTec will be unable to sell any Contribution Shares without either registration under the Act or the existence of another exemption from such registration requirement.

3.5 Restricted Securities. WinTec understands that the Contribution Shares has not been registered under the Act and WinTec will not sell, offer to sell, assign, pledge, hypothecate or otherwise transfer any of the Contribution Shares unless pursuant to an effective registration statement under the Act, or unless an exemption from registration is available. Notwithstanding anything to the contrary contained in this Agreement, WinTec may transfer (without restriction and without the need for an opinion of counsel) the Contribution Shares to its Affiliates provided that each such Affiliate is an "accredited investor" under Regulation D and such Affiliate agrees to be bound by the terms and conditions of this Agreement.

3.6 Outstanding Stock. All issued and outstanding shares of capital stock and equity interests in WinTec, including the Exchange Shares, have been duly authorized and validly issued and are fully paid and non-assessable.

3.7 Exchange Shares. The Exchange Shares, upon issuance:

- (a) are, or will be, free and clear of any security interests, liens, claims or other encumbrances, subject only to restrictions upon transfer under the Act and any applicable state securities laws;
- (b) have been, or will be, duly and validly authorized and on the date of issuance of the Exchange Shares, the Exchange Shares will be duly and validly issued, fully paid and nonassessable or if resold in a transaction registered pursuant to the Act and pursuant to an effective registration statement or exempt from registration will be free trading, unrestricted and unlegended;
- (c) will not have been issued or sold in violation of any preemptive or other similar rights of the holders of any securities of WinTec or rights to acquire securities of WinTec; and
- (d) will not subject the holders thereof to personal liability by reason of being such holders.

3.8 Litigation. There is no pending or, to the best knowledge of WinTec, threatened action, suit, proceeding or investigation before any court, governmental agency or body, or arbitrator having jurisdiction over WinTec, or any of its Affiliates that would affect the execution by WinTec or the complete and timely performance by WinTec of its obligations under this Agreement.

3.9 No General Solicitation. Neither WinTec, nor any of its Affiliates, nor to its knowledge, any person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D or Regulation S under the Act) in connection with the offer or sale of the Exchange Shares.

3.10 Dilution. WinTec's executive officers and directors understand the nature of the Exchange Shares being sold hereby and recognize that the issuance of the Exchange Shares will have a potential dilutive effect on the equity holdings of other holders of WinTec's equity or rights to receive equity of WinTec. The Board of Directors of WinTec has concluded, in its good faith business judgment that the issuance of the Exchange Shares is in the best interests of WinTec. WinTec specifically acknowledges that its obligation to issue the Exchange Shares is binding upon WinTec and enforceable regardless of the dilution such issuance may have on the ownership interests of other shareholders of WinTec or parties entitled to receive equity of WinTec.

3.11 Survival. The foregoing representations and warranties shall survive after the Effective Date.

3.12 No Brokers. Neither WinTec nor any Subsidiary has taken any action which would give rise to any claim by any person for brokerage commissions, finder's fees or similar payments relating to this Agreement or the transactions contemplated hereby.

#### **ARTICLE IV INDEMNIFICATION**

4.1 Indemnification by MIHI. Subject to the provisions of this Article IV, MIHI shall indemnify and hold harmless WinTec and WinTec's shareholders, directors, officers, subsidiaries, Affiliates, employees, representatives and successors (collectively, the "WinTec Parties") from and against (i) its portion of all material loss, costs, damage, liability, obligation, claim or expense (including reasonable out-of-pocket professional fees and similar expenses) (collectively the "Indemnified Losses") incurred or suffered by the WinTec Parties as a result of (a) a material breach by MIHI of any material representation or warranty made by MIHI in this Agreement or (b) a material breach by MIHI of any material covenant or agreement made or to be performed by MIHI set forth in this Agreement; or (ii) all taxes of MIHI and any and all taxes (or the nonpayment thereof) imposed on WinTec based on a breach by MIHI of this Agreement or any of the representations and warranties contained herein; provided, however, MIHI shall not be liable and shall not provide indemnification for any taxes assessed against WinTec due to subsequent actions by WinTec that affected any such taxes.

4.2 Indemnification by WinTec. Subject to the provisions of this Article IV, WinTec shall indemnify and hold harmless MIHI and MIHI's shareholders, directors, officers, subsidiaries, Affiliates, employees, representatives and successors (collectively, the "MIHI Parties") from and against all Indemnified Losses incurred or suffered by the MIHI Parties as a result of (i) a material breach by WinTec of any representation or warranty made by WinTec in this Agreement, or (ii) a material breach by WinTec of any covenant or agreement made or to be performed by WinTec set forth in this Agreement.

4.3 Material. For purposes of this Article IV, "material" shall be defined to mean an amount, or an action that causes an amount, in excess of Twenty-Five Thousand and No/100 Dollars (\$25,000.00).

4.4 Limitations on Indemnification. Notwithstanding any other provision of this Agreement, no party shall be liable for punitive, remote or speculative damages, and each party hereby waives any right to seek recovery thereof.

## **ARTICLE V MISCELLANEOUS**

5.1 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to principles or conflicts of law.

5.2 Counterpart Execution. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, either original, electronic, or facsimile signatures, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

5.3 Binding Effect. This Agreement and the rights and obligations hereunder shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

5.4 Non-Agreement to Transfer. This Agreement shall not modify, alter or grant any consent to transfer an interest in MIHI or WinTec, any further transfer of the Contribution Shares and Exchange Shares being transferred hereunder, except as otherwise expressly provided herein.

5.5 Severability. In the event that any term or provision of this Agreement shall be finally determined to be superseded, invalid, illegal or otherwise unenforceable pursuant to applicable law by an authority having jurisdiction and venue, that determination shall not impair or otherwise affect the validity, legality or enforceability: (i) by or before that authority of the remaining terms and provisions of this Agreement, which shall be enforced as if the unenforceable term or provision were deleted, or (ii) by or before any other authority of any of the terms and provisions of this Agreement.

5.6 Notices. All notices, requests, instructions or other documents to be given under this Agreement shall be in writing and shall be deemed given and received, (i) three (3) business days following sending by registered or certified mail, postage prepaid, (ii) when sent by facsimile; provided, however, that the facsimile is promptly confirmed by telephone confirmation thereof, (iii) when delivered, if delivered personally to the intended recipient, and (iv) one (1) business day following sending by overnight delivery via an internationally recognized courier service, and in each case, addressed to a party at the following address for such party:

if to MIHI: Medina International Holdings, Inc.  
Attn: \_\_\_\_\_  
1802 Pomona Rd., Corona, CA 92880  
Facsimile: \_\_\_\_\_

and a copy to: \_\_\_\_\_  
Attn: \_\_\_\_\_  
\_\_\_\_\_  
Facsimile: \_\_\_\_\_

if to WinTec: WinTec Protective Systems, Inc.  
Attn: Robert Doherty  
14027 Memorial Drive, Suite 241  
Houston, Texas 77079-6826  
Facsimile: \_\_\_\_\_

and a copy to: Rapp & Krock, PC  
(which shall not  
constitute notice) Attn: Bradley W. Rapp  
3050 Post Oak Boulevard, Suite 400  
Houston, Texas 77056  
Facsimile: (713) 759-9967

or to such other address or facsimile number as the party to whom notice is given may have previously furnished to the other in writing in the manner set forth above.

5.7 Descriptive Headings. The descriptive headings herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

5.8 Costs. Except as otherwise expressly set out in this Agreement, each party shall bear its own costs in connection with the negotiation, preparation and implementation of this Agreement.



5.9 Dispute Resolution. The prevailing party in any litigation, arbitration, mediation, controversy, or other form of dispute resolution related to this Agreement and the transactions contemplated hereby shall be entitled to the award of all reasonable attorneys' fees, expert witness fees, costs, and expenses related to the prosecution or defense of any such litigation, arbitration, mediation, controversy, or other form of dispute resolution.

5.10 Amendment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns. This Agreement shall not be amended or modified, except pursuant to a writing executed by all parties hereto.

5.11 Further Assurances. From time to time, as and when requested by any party hereto, any other party hereto shall execute and deliver, or cause to be executed and delivered, such documents and instruments and shall take, or cause to be taken, such further or other actions as may be reasonably necessary to effect the transactions contemplated hereby.

[End of Agreement - Signatures on Following Page]

IN WITNESS WHEREOF, this Agreement has been executed and shall take effect as of the Effective Date.

MIHI:

MEDINA INTERNATIONAL  
HOLDINGS, INC., a California  
corporation

By: \_\_\_\_\_  
Daniel Medina  
President

WINTEC:

WINTEC PROTECTIVE SYSTEMS,  
INC., a Texas corporation

By: \_\_\_\_\_  
Robert Doherty  
Chief Executive Officer

## LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement") is made and entered into to be effective as of June 28, 2011 (the "Effective Date"), by and between MEDINA INTERNATIONAL HOLDINGS, INC., a California corporation ("Lender") and WINTEC PROTECTIVE SYSTEMS, INC., a Texas corporation ("Borrower").

### ARTICLE I LOAN TO BORROWER

1.1 Loan. Subject to the terms and conditions set forth in this Agreement, and the other agreements, instruments, and documents executed and delivered in connection herewith and pursuant hereto, including but not limited to the Note (as hereafter defined), the Exchange Agreement (as hereafter defined), the Consulting Agreements (as hereafter defined), the Redemption and Purchase Agreement (as hereafter defined), the Amended and Restated Bylaws (as hereafter defined), and the Shareholders' Agreement (as hereafter defined) (collectively, the "Ancillary Agreements" and together with this Agreement, the "Loan Documents"), Lender shall extend a loan to Borrower, and Borrower shall borrow from Lender, the sum of up to One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00), in cash (the "Loan").

1.2 Use of Loan Funds. The Loan shall be used solely for the purpose of expanding the business of Borrower, and other similar purposes, and not for the funding of any disbursements or distributions to the shareholders of Borrower.

1.3 Funding of Loan. The Loan shall be funded by the Lender in a series of advancements, as follows:

(a) Fifty Thousand and No/100 Dollars (\$50,000.00) of the Loan shall be funded upon full execution and delivery of the Loan Documents (the "Initial Funding").

(b) Four Hundred Fifty Thousand and No/100 Dollars (\$450,000.00) of the Loan shall be funded within thirty (30) days of the Initial Funding.

(c) One Million and No/100 Dollars (\$1,000,000.00) of the Loan shall be funded at such times, and in such amounts, as the Borrower shall request from Lender in writing.

1.4 Promissory Note. The Loan shall be evidenced by a revolving promissory note made by Borrower in favor of Lender (together with any renewals, extensions, and increases thereof, the "Note"), duly executed by Borrower, of even date herewith, in the original principal amount of the Loan, and in form and substance acceptable to the Lender, bearing interest at a rate of one percent (1.00%) per annum. The Note shall be due and payable at such times and in such amounts as Borrower may determine, in its sole discretion, with the total outstanding principal balance of the Note, and all accrued but unpaid interest thereon, due and payable in full on the four (4) year anniversary of the Effective Date.

**ARTICLE II  
ANCILLARY AGREEMENTS**

2.1 Exchange Agreement. Lender shall contribute three million (3,000,000) shares of common stock of Lender, \$0.0001 par value per share, as a contribution to the capital of Borrower, in exchange for the issuance by Borrower to Lender of twenty million four hundred thousand (20,400,000) shares of common stock of Borrower, \$0.001 par value per share, all pursuant to that certain Contribution and Exchange Agreement executed by and between Borrower and Lender contemporaneously herewith (the "Exchange Agreement").

2.2 Licensing Agreements. In connection with and as further consideration for making the Loan to Borrower, Borrower shall grant to Lender:

(a) An exclusive license for the use of Borrower's anti-corrosion material for small marine craft, pursuant to that certain License Agreement executed by and between Borrower and Lender contemporaneously herewith (the "License Agreement"); and

(b) The right of first refusal to exclusively license such intellectual property of Borrower as Borrower shall, from time to time, negotiate to license to third parties, pursuant to that certain Right of First Refusal Agreement executed by and between Borrower and Lender contemporaneously herewith (the "ROFR Agreement").

2.3 Redemption and Purchase Agreement. After the full repayment of the Note, and upon prior written notice from Borrower, (a) Borrower shall redeem and liquidate from Lender twelve million four hundred thousand (12,400,000) shares of common stock in Borrower then-owned by Lender, and (b) Lender shall grant Borrower options to purchase three million (3,000,000) shares of common stock of Lender, \$0.0001 par value per share, at a strike price of Ten Cents (\$0.10) per share, all pursuant to that certain Stock Redemption and Purchase Agreement executed by and between Borrower and Lender contemporaneously herewith (the "Redemption and Purchase Agreement").

2.4 Amended and Restated Bylaws. Borrower shall, with the advice and consent of Lender, amend and restate Borrower's corporate Bylaws, to provide for certain restrictions on voting and the disposition of shares of common stock of Borrower, and to increase the number of Directors of Borrower's Board of Directors, pursuant to those certain Amended and Restated Bylaws of the Borrower, authorized and approved by Borrower's shareholders and Board of Directors contemporaneously herewith (the "Amended and Restated Bylaws").

2.5 Shareholders' Agreement. The shareholders of Borrower, including but not limited to Lender, shall execute and enter into that certain Shareholders' Agreement, restricting the transfer of the shares of common stock of Borrower held by Lender (the "Shareholders' Agreement").

**ARTICLE III  
CLOSING**

3.1 Closing. The closing of the Loan contemplated hereby, and the funding of the Initial Funding, shall occur upon the full execution of this Agreement.

3.1 Closing Documents. Prior to or contemporaneously with the execution and delivery of this Agreement:

(a) Borrower shall deliver or cause to be delivered to the Lender a duly executed Note, a duly executed Exchange Agreement, duly executed Consulting Agreements, a duly executed Redemption and Purchase Agreement, duly authorized Amended and Restated Bylaws, a duly executed Shareholders' Agreement, and a written consent action of the shareholders and Board of Directors of Borrower, authorizing this Agreement and the Loan Documents, among other things; and

(b) Lender shall deliver the Initial Funding to Borrower, a duly executed Exchange Agreement, duly executed Consulting Agreements, a duly executed Redemption and Purchase Agreement, and a duly executed Shareholders' Agreement.

**ARTICLE IV  
COVENANTS OF BORROWER**

4.1 Affirmative Covenants. Until the Note and all other obligations and liabilities of the Borrower under this Agreement and the other Loan Documents are fully paid and satisfied, Borrower agrees and covenants that it will, unless the Lender otherwise consents in writing:

(a) Conduct its operations in the ordinary course of business consistent with past practices, and use reasonable efforts to preserve intact its current business organizations, preserve their relationships with customers, suppliers and others having business dealings with them, and preserve the goodwill of the Borrower;

(b) Apply the Loan proceeds strictly in compliance with Section 1.2 hereof;

(c) Promptly notify the Lender, in writing, about any event which, in Borrower's reasonable opinion, constitutes or will, by giving notice or with the passage of time or both, constitute an Event of Default (as hereafter defined).

(d) Perform and comply with all terms, conditions, and provisions set forth in this Agreement and in all other instruments and agreements between the Borrower and the Lender, including, without limitation, the other Loan Documents;

(e) Maintain adequate liability insurance at all times; and

(f) Execute and deliver, or cause to be executed and delivered, and any all other agreements, instruments, or documents which the Lender may reasonably request in order to give effect to the transactions contemplated under this Agreement and the other Loan Documents.

4.2 Negative Covenants. Until the Note and all other obligations and liabilities of the Borrower under this Agreement and the other Loan Documents are fully paid and satisfied, Borrower agrees and covenants that it will NOT, unless the Lender otherwise consents in writing:

(a) Use the Loan funds for any purpose in contravention of Section 1.2;

(b) Assign or attempt to assign the Note, this Agreement, or any of the Ancillary Agreements;

(c) Fail to pay when due any part of the principal of, or interest on, the Note or any other indebtedness or obligation from time to time owing by the Borrower to the Lender;

(d) Fail to perform any term or condition or covenant of this Agreement or any other agreement between the Borrower and the Lender (including, without limitation, any of the Ancillary Agreements);

(e) Declare insolvency or bankruptcy, or make an assignment for the benefit of creditors, or consent to the appointment of a trustee or receiver of other officer of a court or other tribunal with respect to Borrower or the property of Borrower;

(f) Fail to discharge a trustee, receiver, or other officer of the court if such officer is appointed for Borrower without Borrower's consent, within thirty (30) days of such appointment;

(g) Fail to discharge, bond, or dismiss any entry of any judgment against the Borrower or the issuance or entry of any attachment or other lien against any of the property of the Borrower for an amount in excess of Ten Thousand and No/100 Dollars (\$10,000.00), within thirty (30) days of such entry or issuance;

(h) Default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay the Loan or perform its obligations under this Agreement or any of the Ancillary Agreements;

(i) Amend its organizational and governing corporate documents, except as specifically contemplated herein;

(j) (i) Declare, set aside or pay any distribution (whether in cash, shares or property, or any combination thereof) to its shareholders, or make any other actual, constructive or deemed distribution to any of its shareholders, or otherwise make any payments to its shareholders in their capacity as such if Borrower is delinquent in any payments of the Note; or (ii) redeem, repurchase or otherwise acquire, directly or indirectly, any of its shares of common stock, except as specifically contemplated herein, if Borrower is delinquent in any payments of the Note;

(k) Incur or assume any indebtedness or mortgage or pledge any of its material assets, tangible or intangible, or create or suffer to exist any lien thereupon, except ordinary course of business transactions, unless: (i) an Event of Default does not exist, and (ii) Lender is unwilling or unable to fund advances requested by or due to Borrower pursuant to the Note or this Agreement;

(l) Sell, lease, license or otherwise grant to any entity or individual any rights in any material assets or properties of the Borrower, including but not limited to Borrower's intellectual property, without Lender's prior written consent; or

(m) Take or agree in writing or otherwise to take any action which would make any of the representations or warranties of the Borrower contained in this Agreement untrue, incomplete or incorrect in any material respect.

4.3 Events of Default. A violation of this Agreement, including but not limited to a violation of the affirmative covenants contained in Section 4.1 hereof, the negative covenants contained in Section 4.2 hereof, or the representations and warranties of Borrower contained in Section 5.2 hereof, shall constitute an "Event of Default", upon which the entire unpaid principal balance of the Note, together with all accrued by unpaid interest thereon, and all other indebtedness then owing by the Borrower to the Lender shall, at the option of the Lender, become immediately due and payable if the notice provisions, if any, set forth in the Note are complied with.

## **ARTICLE V REPRESENTATIONS AND WARRANTIES**

5.1 Representations of Lender. Lender hereby represents and warrants the following to Borrower:

(a) Lender is a corporation duly organized, validly existing, and in good standing under the laws of the State of California.

(b) Lender has full right, power, legal capacity and authority to execute, deliver and perform this Agreement and all Ancillary Agreements and to consummate the transactions contemplated herein and thereby, including the full right, power, legal capacity and authority to enter into the Loan and the Ancillary Agreements. This Agreement has been duly executed and delivered by Lender and constitutes, and all documents and instruments referred to herein or contemplated hereby when duly executed and delivered by Lender will constitute, legal, valid and binding obligations of Lender enforceable in accordance with their respective terms and conditions, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity (whether applied in a proceeding at law or in equity).

(c) No approval, consent or other order or action of or filing with any court, administrative agency, governmental authority or other third party is required for the execution, delivery or performance by Lender of this Agreement or the Ancillary Agreements.

(d) The execution and delivery of this Agreement and the Ancillary Agreements, and the consummation of the transactions contemplated hereby and thereby and the performance by Lender of its respective obligations hereunder and thereunder, will not constitute a violation of, conflict with or result in a default under (i) any mortgage, indenture, charter or bylaw provision, contract, agreement, commitment or other instrument of any kind to which Lender is a party or by which Lender or any of its respective assets may be bound or affected, or (ii) any law, rule or regulation applicable to Lender or any court injunction, order or decree, or any valid and enforceable order of any governmental agency having jurisdiction over Lender.

(e) Lender is in compliance with, and has conducted and does conduct its business and operations in compliance with all applicable Federal, state, and local laws, rules and regulations affecting Lender.

(f) Lender has adequate unrestricted earned surplus and capital surplus to deliver and fund the Loan pursuant to this Agreement.

5.2 Representations of Borrower. Borrower hereby represents and warrants the following to Lender:

(a) Borrower is a corporation duly organized, validly existing, and in good standing under the laws of the State of Texas.

(b) Borrower has full right, power, legal capacity and authority to execute, deliver and perform this Agreement and all Ancillary Agreements and to consummate the transactions contemplated herein and thereby, including the full right, power, legal capacity and authority to enter into the Loan and the Ancillary Agreements. This Agreement has been duly executed and delivered by Borrower and constitutes, and all documents and instruments referred to herein or contemplated hereby when duly executed and delivered by Borrower will constitute, legal, valid and binding obligations of Borrower enforceable in accordance with their respective terms and conditions, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity (whether applied in a proceeding at law or in equity).

(c) No approval, consent or other order or action of or filing with any court, administrative agency, governmental authority or other third party is required for the execution, delivery or performance by Borrower of this Agreement or the Ancillary Agreements.



(d) Borrower has full legal and beneficial title to all of its assets and intellectual property free and clear of all liens, pledges, mortgages, security interests, conditional sales contracts and encumbrances.

(e) The execution and delivery of this Agreement and the Ancillary Agreements, and the consummation of the transactions contemplated hereby and thereby and the performance by Borrower of its respective obligations hereunder and thereunder, will not constitute a violation of, conflict with or result in a default under (i) any mortgage, indenture, charter or bylaw provision, contract, agreement, commitment or other instrument of any kind to which Borrower is a party or by which Borrower or any of its respective assets may be bound or affected, or (ii) any law, rule or regulation applicable to Borrower or any court injunction, order or decree, or any valid and enforceable order of any governmental agency having jurisdiction over Borrower.

(f) Borrower is in compliance with, and has conducted and does conduct its business and operations in compliance with all applicable Federal, state, and local laws, rules and regulations affecting Borrower.

(g) Borrower acknowledges and agrees that the Loan is not transferable and may not be assigned, in whole or in part, to any other party.

## **ARTICLE VI MISCELLANEOUS**

6.1 Tax. Lender shall have no obligation for the payment or withholding of any Federal, state, or other taxes applicable to the extension of credit described herein. Borrower shall be solely responsible for the reporting of all income and payment of all taxes in the event that the Loan is deemed to be income to Borrower. Borrower shall indemnify and hold Lender harmless for any expense or costs incurred by Lender from Borrower's failure to comply with the provisions of this section.

6.2 Waiver and Agreement. Neither the failure nor any delay on the part of the Lender to exercise any right, power, or privilege herein or under any of the other Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power, or privilege preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. No waiver of any provision in this Agreement or in any of the other Loan Documents, and no departure by the Borrower therefrom, shall be effective unless the same shall be in writing and signed by the Lender, and then shall be effective only in the specific instance and for the purpose for which given and to the extent specified in such writing. No modification or amendment to this Agreement or to any of the other Loan Documents shall be valid or effective unless the same is signed by the party against whom it is sought to be enforced.

6.3 Nature and Survival of Representations, Warranties and Agreements. All representations, warranties and covenants of Lender and Borrower contained in this Agreement, and all statements contained in this Agreement or in any instrument delivered by or on behalf of Lender and Borrower pursuant hereto, shall be deemed representations, warranties, covenants and agreements by the person or entity making or delivering such statement or instrument, and all such representations, warranties, covenants, and agreements shall survive the closing and the consummation of the transaction contemplated herein.

6.4 Miscellaneous Provisions.

- (a) The captions, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
- (b) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- (c) The parties agree to execute and deliver any additional agreements or documents and to take such other actions as may be reasonably necessary or appropriate to effectuate the intent of this Agreement and to comply with the pertinent provisions of state and Federal law.
- (d) This Agreement shall be binding on, inure to the benefit of and be enforceable by Lender and Borrower and their respective heirs, personal representatives, successors and assigns.
- (e) This Agreement shall, at all times, be considered a contract made under the laws of the State of Texas, for all purposes, and shall be governed by and construed in accordance with the laws of Texas. Jurisdiction for all disputes relating, in any way, to this Agreement, shall lie exclusively in the courts of Harris County, Texas.
- (f) This Agreement, together with the Ancillary Agreements, constitutes the entire agreement of the parties hereto and supersedes all prior understandings with respect to the subject matter hereof.

(g) This Agreement may only be modified, altered or amended in a writing executed by a duly authorized representative of each party.

IN WITNESS WHEREOF, this Agreement has been executed and shall take effect as of the Effective Date.

LENDER:

MEDINA INTERNATIONAL  
HOLDINGS, INC., a California  
corporation

By: \_\_\_\_\_  
Daniel Medina  
President

BORROWER:

WINTEC PROTECTIVE SYSTEMS, INC.,  
a Texas corporation

By: \_\_\_\_\_  
Robert Doherty  
Chief Executive Officer

## STOCK REDEMPTION AND PURCHASE AGREEMENT

THIS STOCK REDEMPTION AND PURCHASE AGREEMENT (the "Agreement") is made and entered into to be effective as of June 28, 2011 (the "Effective Date"), by and between MEDINA INTERNATIONAL HOLDINGS, INC., a California corporation ("MIHI") and WINTEC PROTECTIVE SYSTEMS, INC., a Texas corporation ("WinTec").

### WITNESSETH:

WHEREAS, contemporaneously herewith, MIHI has been issued twenty million four hundred thousand (20,400,000) shares of common stock of WinTec, \$0.001 par value per share (collectively, the "MIHI Shares");

WHEREAS, MIHI has loaned up to One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00) to WinTec pursuant to that certain Revolving Promissory Note made by WinTec in favor of MIHI (the "Promissory Note");

WHEREAS, upon the full repayment of the Promissory Note, MIHI has granted WinTec the right to redeem twelve million four hundred thousand (12,400,000) shares of common stock of WinTec, out of the MIHI Shares (collectively, the "Redemption Shares");

WHEREAS, contemporaneously with the redemption by WinTec of the Redemption Shares, MIHI intends to grant to WinTec options to purchase three million (3,000,000) shares of common stock of MIHI, \$0.0001 par value per share, at a strike price of Ten Cents (\$0.10) per share (collectively, the "Options"); and

WHEREAS, it is the intent and purpose of this Agreement to specify the terms and conditions under which (a) WinTec will redeem the Redemption Shares from MIHI, and (b) MIHI will issue the Options to WinTec.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, the parties agree as follows:

**ARTICLE I**  
**DEFINITIONS**

1.1 Recitals. The defined terms set forth in the recitals are incorporated herein by this reference for all purposes.

1.2 Additional Definitions. In addition to the terms defined elsewhere in this Agreement, as used herein,

(a) "Affiliate" means, as to any specified Person, any other Person that, directly or indirectly, through one or more intermediaries or otherwise, controls, is controlled by or is under common control with the specified Person. As used in this definition, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of management or policies of the Person (whether through ownership of capital stock, by contract or otherwise).

(b) "Business Day" means any day of the year on which national banking institutions in Houston, Texas are open to the public for conducting business and are not required or authorized to close.

(c) "Governmental Entity" means any court or tribunal or administrative, governmental or regulatory body, agency or authority.

(d) "Law" or "Laws" means any domestic or foreign law, order, writ, injunction, decree, ordinance, statute, rule or regulation enacted, issued or entered by a Governmental Entity.

(e) "Legal Proceeding" means any judicial, administrative or arbitral actions, suits, mediation, investigation, inquiry, proceedings or claims (including counterclaims) by or before a Governmental Entity.

(f) "Material Adverse Effect" means, with respect to any Person, any change, circumstance or effect that, individually or in the aggregate with all other changes, circumstances and effects, is materially adverse to the assets, properties, financial condition or results of operations of such Person, taken as a whole, or the ability of such Person to consummate the transactions contemplated by this Agreement; provided, however, that any change resulting from (i) general economic conditions or industry conditions that does not disproportionately affect such Person, (ii) the announcement of the transactions contemplated by this Agreement and the performance of the obligations of the parties under this Agreement, (iii) any change in Law, or (iv) any action permitted by this Agreement shall not constitute a Material Adverse Effect.

(g) "Order" means any order, injunction, judgment, doctrine, decree, ruling, writ, assessment or arbitration award of a Governmental Entity or arbitral tribunal.

(h) "Permit" means any approval, authorization, consent, license, permit or certificate of a Governmental Entity.

(i) "Person" means an individual, corporation, limited liability company, partnership, association, trust, unincorporated organization, joint venture, or a governmental entity or any department, agency or political subdivision thereof.

(j) "Tax" or "Taxes" means all federal, state, local or foreign taxes, charges, fees, imposts, duties, levies, gaming or other assessments, including all net income, gross receipts, capital, sales, use, ad valorem, value added, transfer, franchise, profits, inventory, capital stock, license, withholding, payroll, employment, social security, unemployment, excise, severance, stamp, occupation, property, and estimated taxes, customs duties, fees, assessments and charges of any kind whatsoever, together with any interest and any penalties, fines, additions to tax or additional amounts imposed by any taxing authority (domestic or foreign), and shall include any tax for which a party is liable under U.S. Treasury Regulation Section 1.1502-6 (or any comparable rule or provision of any tax law), any liability in respect of taxes imposed by contract, tax sharing agreement, tax indemnity agreement or any similar agreement.

(k) "Tax Returns" means any report, return, document, declaration, or any other information or filing required to be supplied to any taxing authority or jurisdiction (domestic or foreign) in respect of Taxes, including, information returns, any document in respect of or accompanying payments or estimated Taxes, or in respect of or accompanying requests for the extension of time in which to file any such report, return document, declaration or other information.

## **ARTICLE II REDEMPTION OF SHARES; ISSUANCE OF OPTIONS**

2.1 Sale and Redemption of Shares and Issuance of Options. Upon the terms and subject to the conditions contained herein, on the Closing Date, MIHI agrees to (a) sell the Redemption Shares to WinTec, pursuant to a redemption by WinTec, free and clear of any and all liens, security interests, claims, mortgages, assessments, equitable interests, options, pledges, rights of first refusal, or other encumbrances or restrictions of any kind, including any restrictions on use, voting, transfer, receipt of income or exercise of any other attribute of ownership, and (b) issue to WinTec the Options to purchase additional shares of the stock of MIHI; and WinTec agrees to purchase and redeem the Redemption Shares from MIHI and accept and receive the Options from MIHI, all for the consideration set forth in this Article II.

2.2 Purchase Price. On the Closing Date, WinTec shall pay the total sum of One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00) for the benefit of MIHI, for the Redemption Shares and the issuance of the Options acquired hereunder (the "Purchase Price"), which shall be paid to MIHI via cash, certified check, wire transfer, or other immediately available funds.

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## **CLOSING**

3.1 Closing Date. The consummation of (a) the sale and redemption of the Redemption Shares, and (b) grant and issuance of the Options, as provided for in Section 2.1 (the "Closing") shall take place on such date as determined by WinTec, upon the full repayment of the Promissory Note, provided that WinTec has given MIHI five (5) business days' prior written notice thereof (the "Closing Date").

3.2 Closing Date Deliveries of MIHI. At Closing, MIHI shall deliver or cause to be delivered to WinTec:

- (a) the share certificate representing all of the MIHI Shares, endorsed in blank or accompanied by duly executed assignment documents;
- (b) a resignation of one (1) of the directors of WinTec appointed by MIHI from his or her position as director of WinTec, in the form attached as Exhibit A (the "Resignation");
- (c) a duly executed Consent Action of the shareholders and directors of WinTec, approving the Resignation, reducing the total number of directors of WinTec to six (6), authorizing the redemption of the Redemption Shares, and the acceptance of the Options, in the form attached as Exhibit B (the "Consent Action");
- (d) a duly executed Stock Option Award, evidencing the grant of the Options to WinTec, in the form attached as Exhibit C (the "Option Award");
- (e) duly executed resolutions of the directors of MIHI, authorizing the redemption of the Redemption Shares and the issuance of the Options to WinTec; and
- (f) such other documents as WinTec shall reasonably request.

3.3 Closing Date Deliveries of WinTec. At Closing, WinTec shall deliver or cause to be delivered to MIHI:

- (a) payment of the Purchase Price;
- (b) a duly issued share certificate representing the remainder of the MIHI Shares then-owned by MIHI, less the Redemption Shares;

(c) a duly executed Option Award;

(d) a duly executed Consent Action; and

(e) such other documents as MIHI shall reasonably request.

#### **ARTICLE IV REPRESENTATIONS AND WARRANTIES OF MIHI**

MIHI represents and warrants to WinTec that the following representations and warranties are true and correct and shall be true and correct as of the Closing (with the understanding that WinTec is relying materially on each such representation in entering into and performing this Agreement):

4.1 Status of MIHI. MIHI is a corporation duly incorporated, validly existing, and in good standing under the laws of the State of California, and has the requisite corporate power to own its properties and to carry on its business as presently conducted.

4.2 Authorization of Agreement. MIHI has the requisite power and authority to enter into and perform this Agreement, and to issue the Options to WinTec. The execution, delivery, and performance of this Agreement by MIHI and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary corporate action, and no further consent or authorization of MIHI or its Board of Directors is required. This Agreement has been duly authorized, executed, and delivered by MIHI and constitutes a valid and binding obligation of MIHI, enforceable against MIHI in accordance with the terms hereof.

4.3 No Conflicts. The execution, delivery, and performance of this Agreement and the consummation by MIHI of the transactions contemplated hereby or relating hereto do not and will not (a) result in a violation of MIHI's charter documents or bylaws or other organizational documents, or (b) conflict with, or constitute a default (or an event which, with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration, or cancellation, of any agreement, indenture, or instrument or obligation to which MIHI is a party or by which its properties or assets are bound, or result in a violation of any law, rule, or regulation, or any order, judgment, or decree of any court or governmental agency applicable to MIHI or its properties (except for such conflicts, defaults, and violations as would not, individually or in the aggregate, have a Material Adverse Effect on MIHI). MIHI is not required to obtain any consent, authorization, or order of, or make any filing or registration with, any court or governmental agency, or the Over the Counter Bulletin Board (the "Bulletin Board"), in order for it to execute, deliver, or perform any of its obligations under this Agreement or to sell the Options in accordance with the terms hereof, provided that for purposes of the representation made in this sentence, MIHI is assuming and relying upon the accuracy of the relevant representations and agreements of WinTec herein.



4.4 Consents and Approvals. No consent, waiver, approval, Order, Permit or authorization of, or declaration or filing with, or notification to, any Governmental Entity or third party is required on the part of MIHI in connection with the execution and delivery of this Agreement, the compliance by MIHI with any of the provisions hereof, or the consummation of the transactions contemplated hereby.

4.5 Ownership and Transfer of Redemption Shares. MIHI is the record and beneficial owner of the Redemption Shares, free and clear of any and all liabilities, liens, encumbrances, pledges, trusts, equities, charges, options, restrictions, obligations, commitments, or other burdens or encumbrances of any nature whatsoever.

4.6 Litigation of MIHI. There is no Legal Proceeding pending or, to the actual knowledge of MIHI, threatened against MIHI or to which MIHI is otherwise a party relating to the Redemption Shares, the Options, this Agreement, the Transaction Documents or the transactions contemplated hereby or thereby or could otherwise prevent or delay the consummation of the transactions contemplated by this Agreement.

4.7 Status of Options. The Options, upon issuance:

(a) have been, or will be, duly and validly authorized, and on the date of exercise of the Options, the resulting shares of common stock of MIHI will be duly and validly issued, fully paid and nonassessable and registered pursuant to applicable Federal securities Laws pursuant to an effective registration statement or exempt from registration, and therefore free trading, unrestricted and unlegended;

(b) will not have been issued or sold in violation of any preemptive or other similar rights of the holders of any securities of MIHI or rights to acquire securities of MIHI; and

(c) will not subject the holders thereof to personal liability by reason of being such holders.

4.8 No Market Manipulation. MIHI has not taken, directly or indirectly, any action designed to, or that might reasonably be expected to, cause or result in stabilization or manipulation of the price of the common stock of MIHI to facilitate the sale or resale of the Options or affect the price at which the Options may be exercised, issued, or resold.

4.9 Financial Advisor. No financial advisor, broker, finder or investment banker is entitled to any brokerage, finder's, other fee or commission, or expense reimbursement from MIHI in connection with the transactions contemplated by this Agreement, and if any such fee shall become due, it shall be paid by MIHI at or before Closing, and MIHI will indemnify and hold WinTec harmless for any obligation for payment.

4.10 Full Disclosure. The information and documentation made available to WinTec in relation to its due diligence investigation of MIHI is complete and correct in all respects, and there are no omissions of facts or information that may have an adverse bearing on the evaluation of the Options for purchase by WinTec.

**ARTICLE V  
REPRESENTATIONS AND WARRANTIES OF WINTEC**

WinTec warrants to MIHI that the following representations and warranties are true and correct and shall be true and correct as of the Closing (with the understanding that MIHI is relying materially on each such representation in entering into and performing this Agreement):

5.1 Status of WinTec. WinTec is a corporation duly incorporated, validly existing, and in good standing under the Laws of the State of Texas, and has the requisite corporate power to own its properties and to carry on its business as presently conducted.

5.2 Authorization of Agreement. WinTec has the requisite power and authority to enter into and perform this Agreement and redeem the Redemption Stock from MIHI. The execution, delivery, and performance of this Agreement by WinTec and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary corporate action, and no further consent or authorization of WinTec or its Board of Directors is required. This Agreement has been duly authorized, executed, and delivered by WinTec and constitutes a valid and binding obligation of WinTec, enforceable against WinTec in accordance with the terms hereof.

5.3 No Conflicts. The execution, delivery, and performance of this Agreement and the consummation by WinTec of the transactions contemplated hereby or relating hereto do not and will not (a) result in a violation of WinTec's charter documents or bylaws or other organizational documents, or (b) conflict with, or constitute a default (or an event which, with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration, or cancellation, of any agreement, indenture, or instrument or obligation to which WinTec is a party or by which its properties or assets are bound, or result in a violation of any law, rule, or regulation, or any order, judgment, or decree of any court or governmental agency applicable to WinTec or its properties (except for such conflicts, defaults, and violations as would not, individually or in the aggregate, have a Material Adverse Effect on WinTec). WinTec is not required to obtain any consent, authorization, or order of, or make any filing or registration with, any court or governmental agency in order for it to execute, deliver, or perform any of its obligations under this Agreement or to redeem the Redemption Shares or acquire the Options in accordance with the terms hereof, provided that for purposes of the representation made in this sentence, WinTec is assuming and relying upon the accuracy of the relevant representations and agreements of MIHI herein.

5.4 Consents and Approvals. No consent, waiver, approval, Order, Permit or authorization of, or declaration or filing with, or notification to, Governmental Entity or third party is required on the part of WinTec in connection with the execution and delivery of this Agreement, the compliance by WinTec with any of the provisions hereof, or the consummation of the transactions contemplated hereby.

5.5 Financial Advisor. No financial advisor, broker, finder or investment banker is entitled to any brokerage, finder's, other fee or commission, or expense reimbursement from WinTec in connection with the transactions contemplated by this Agreement, and if any such fee shall become due, it shall be paid by WinTec at or before Closing, and which WinTec will indemnify and hold MIHI harmless from any obligation for payment.

## **ARTICLE VI OTHER AGREEMENTS**

6.1 Resignation and Reduction of Directors. Contemporaneously herewith, one (1) of the directors of WinTec appointed by MIHI shall resign from the board of directors of WinTec, pursuant to the Resignation. MIHI agrees and acknowledges that the total number of directors of WinTec that it shall be entitled to appoint shall be reduced from three (3) to two (2), and at Closing shall execute the Consent Action evidencing such reduction.

## **ARTICLE VII CERTAIN COVENANTS OF THE PARTIES**

7.1 Conduct of Business Before Closing. Except as contemplated by this Agreement, during the period from the date hereof to the Closing Date, each of MIHI and WinTec will conduct its operations in the ordinary course of business consistent with past practices and use reasonable efforts to preserve intact its current business organizations, preserve its relationships with customers, suppliers, and others having business dealings with such party, and preserve the goodwill of such party through the Closing Date. Without limiting the generality of the foregoing, and except as otherwise expressly provided in this Agreement, from the date hereof and prior to the Closing Date, neither MIHI nor WinTec shall, without the prior written consent of the other party:

(a) amend its organizational and governing corporate documents;

(b) split, combine or reclassify any of its shares of capital stock, which would have the effect of (i) in the case of MIHI, diluting the Options, or (ii) in the case of WinTec, diluting the Redemption Shares;

(c) take or agree in writing or otherwise to take any action which would make any of the representations or warranties of such party contained in this Agreement untrue, incomplete or incorrect in any material respect.

7.2 Reasonable Efforts. Subject to the terms and conditions of this Agreement, each party will use its reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate the transactions contemplated by this Agreement, including, without limitation, obtaining at the earliest practical date all consents, waivers, approvals, Orders, Permits, authorizations and declarations from, make all filings with, and provide all notices to, all Governmental Entities and third parties which are required to consummate, or in connection with, the transactions contemplated by this Agreement.

7.3 Public Announcements. Prior to the Closing there shall be no press releases or other public statements in respect of the transactions contemplated by this Agreement, and no party shall issue any such press release or make any such public statement without the prior mutual written consent of both WinTec and MIHI, except as may be required by applicable Law.

## **ARTICLE VIII CONDITIONS TO CLOSING**

8.1 Conditions Precedent to Obligations of WinTec. The obligation of WinTec to consummate the transactions contemplated by this Agreement is subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions precedent (any or all of which may be waived by WinTec in WinTec's sole discretion in whole or in part):

- (a) the representations and warranties of MIHI set forth in this Agreement shall be true and correct, in each case, as of the date of this Agreement and as of the Closing as though made at and as of the Closing;
- (b) MIHI shall have performed and complied with all obligations and agreements required in this Agreement to be performed or complied with by them on or prior to the Closing Date;
- (c) there shall not have been or occurred any event, change, occurrence or circumstance that, individually or in the aggregate with any such events, changes, occurrences or circumstances, has had or would reasonably be expected to have a Material Adverse Effect on MIHI;
- (d) no Legal Proceedings shall have been instituted or threatened, or claim or demand made, against MIHI or WinTec which could reasonably be expected to restrain or prohibit, or to obtain substantial damages with respect to, the consummation of the transactions contemplated hereby, and there shall not be in effect any Order by a Governmental Entity of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby;

(e) MIHI and WinTec shall have obtained all other material consents, approvals, orders and authorizations of, and registrations with, and made all other material declarations or filings with, any Governmental Entity required to be obtained or made by them in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby;

(f) WinTec shall have received the items listed in Section 3.2; and

(g) MIHI shall not be in material breach of (i) that certain License Agreement (the "License Agreement") or (ii) that certain Right of First Refusal Agreement (the "ROFR Agreement"), both entered into by and between MIHI and WinTec contemporaneously herewith.

8.2 Conditions Precedent to Obligations of MIHI. The obligations of MIHI to consummate the transactions contemplated by this Agreement are subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions precedent (any or all of which may be waived by MIHI in whole or in part):

(a) the representations and warranties of WinTec set forth in this Agreement shall be true and correct, in each case, as of the date of this Agreement and as of the Closing as though made at and as of the Closing;

(b) WinTec shall have performed and complied with all obligations and agreements required by this Agreement to be performed or complied with by it on or prior to the Closing Date, including but not limited to the full repayment of the Promissory Note;

(c) no Legal Proceedings shall have been instituted or threatened or claim or demand made against MIHI or WinTec which could reasonably be expected to restrain or prohibit, or to obtain substantial damages with respect to, the consummation of the transactions contemplated hereby, and there shall not be in effect any Order by a Governmental Entity of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby;

(d) MIHI and WinTec shall have obtained all other material consents, approvals, orders or authorizations of, and registrations with, and all other material declarations and filings with, any Governmental Entity required to be obtained or made by them in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby;

(e) MIHI shall have received the items listed in Section 3.3; and

(g) WinTec shall not be in material breach of the License or the ROFR Agreement.

**ARTICLE IX  
TAX MATTERS**

9.1 Cooperation on Tax Matters. WinTec and MIHI shall cooperate fully, as and to the extent reasonably requested by the other party in connection with the filing of Tax Returns related to the transactions contemplated hereby and any audit, litigation or other proceeding with respect to Taxes relating to the Redemption Shares or the Options.

9.2 Payment of Certain Taxes. All transfer, documentary, sales, use, stamp, registration and other such Taxes and fees (including any penalties and interest) incurred in connection with the purchase and sale of the Redemption Shares and the Options pursuant to this Agreement (including any state or local gains Tax, state or local transfer Tax and any similar Tax imposed in other states or subdivisions), shall be paid by MIHI when due, and MIHI will, at its own expense, file all necessary Tax Returns and other documentation with respect to all such transfer, documentary, sales, use, stamp, registration and other Taxes and fees; and, if required by applicable law, WinTec will join in the execution of any such Tax Returns and other documentation.

**ARTICLE X  
TERMINATION**

10.1 Termination of Agreement. This Agreement may be terminated prior to the Closing as follows:

(a) by either of MIHI, on the one hand, or WinTec, on the other hand, if there has been a material misrepresentation, material breach of warranty or material breach of covenant on the part of the other in the representations, warranties and covenants set forth in this Agreement; provided, however, that termination by MIHI requires the written consent of both Medina and Mankal; or

(b) by mutual written consent of MIHI, WinTec, Medina, and Mankal.

10.2 Effect of Termination. In the event that this Agreement is validly terminated as provided herein, then each of the parties shall be relieved of their duties and obligations arising under this Agreement, provided, however, that nothing in this Section 10.2 shall relieve either party of any liability for a breach of this Agreement prior to the effective date of termination.

**ARTICLE XI  
RELEASES AND INDEMNIFICATIONS**

11.1 Survival of Representations and Warranties. The representations and warranties of the parties contained in this Agreement shall survive the Closing until the later of (i) the date which is three (3) years following the Closing Date, and (ii) the final resolution of any outstanding claims made with respect to such representations and warranties prior to the date which is three (3) years following the Closing Date.

11.2 Indemnification by MIHI. Subject to the provisions of this Article XI, MIHI shall indemnify and hold harmless WinTec and WinTec's shareholders, directors, officers, subsidiaries, Affiliates, employees, representatives and successors (collectively, the "WinTec Parties") from and against (i) its portion of all material loss, costs, damage, liability, obligation, claim or expense (including reasonable out-of-pocket professional fees and similar expenses) (collectively the "Indemnified Losses") incurred or suffered by the WinTec Parties prior to the expiration of the applicable survival period under Section 11.1 as a result of (a) a material breach by MIHI of any material representation or warranty made by MIHI in this Agreement or (b) a material breach by MIHI of any material covenant or agreement made or to be performed by MIHI set forth in this Agreement; or (ii) all Taxes of MIHI and any and all Taxes (or the nonpayment thereof) imposed on WinTec based on a breach by MIHI of this Agreement or any of the representations and warranties contained herein; provided, however, MIHI shall not be liable and shall not provide indemnification for any Taxes assessed against WinTec due to subsequent actions by WinTec after the Closing Date that affected any such Taxes.

11.3 Indemnification by WinTec. Subject to the provisions of this Article XI, WinTec shall indemnify and hold harmless MIHI and MIHI's shareholders, directors, officers, subsidiaries, Affiliates, employees, representatives and successors (collectively, the "MIHI Parties") from and against all Indemnified Losses incurred or suffered by the MIHI Parties prior to the expiration of the applicable survival period under Section 11.1 as a result of (i) a material breach by WinTec of any representation or warranty made by WinTec in this Agreement, or (ii) a material breach by WinTec of any covenant or agreement made or to be performed by WinTec set forth in this Agreement.

11.4 Material. For purposes of this Article XI, "material" shall be defined to mean an amount, or an action that causes an amount, in excess of Twenty-Five Thousand and No/100 Dollars (\$25,000.00).

11.5 Limitations on Indemnification. Notwithstanding any other provision of this Agreement, no party shall be liable for punitive, remote or speculative damages, and each party hereby waives any right to seek recovery thereof.

## **ARTICLE XII MISCELLANEOUS**

12.1 Entire Agreement; Assignment.

(a) This Agreement, together with all written agreements referenced herein, constitutes the entire agreement between the parties hereto in respect of the subject matter hereof and supersedes all other prior agreements and understandings, both written and oral, between the parties in respect of the subject matter hereof.

(b) This Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors, heirs, executors and permitted assigns. Except as expressly set forth herein, nothing in this Agreement is intended to or shall confer upon any other Person any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement.

(c) No assignment of this Agreement or any rights or obligations hereunder may be made by any party without the prior written consent of the other parties hereto and any attempted assignment without the required consents shall be void, provided, that a party may by written notice assign its rights under this Agreement to an Affiliate without the prior consent of the other parties, but in no event shall such assignment release or limit such assigning party from any of its obligations under this Agreement, including such assigning party's obligations under this Section 12.1.

12.2 Notices. All notices, requests, instructions or other documents to be given under this Agreement shall be in writing and shall be deemed given and received, (i) three (3) Business Days following sending by registered or certified mail, postage prepaid, (ii) when sent by facsimile; provided, however, that the facsimile is promptly confirmed by telephone confirmation thereof, (iii) when delivered, if delivered personally to the intended recipient, and (iv) one (1) Business Day following sending by overnight delivery via an internationally recognized courier service, and in each case, addressed to a party at the following address for such party:

if to MIHI: Medina International Holdings, Inc.  
Attn: \_\_\_\_\_  
1802 Pomona Rd., Corona, CA 92880  
Facsimile: \_\_\_\_\_

and a copy to: \_\_\_\_\_  
Attn: \_\_\_\_\_  
\_\_\_\_\_  
Facsimile: \_\_\_\_\_

if to WinTec: WinTec Protective Systems, Inc.  
Attn: Robert Doherty  
14027 Memorial Drive, Suite 241  
Houston, Texas 77079-6826  
Facsimile: \_\_\_\_\_

and a copy to: Rapp & Krock, PC  
(which shall not constitute notice) Attn: Bradley W. Rapp  
3050 Post Oak Boulevard, Suite 400  
Houston, Texas 77056  
Facsimile: (713) 759-9967



or to such other address or facsimile number as the Person to whom notice is given may have previously furnished to the other in writing in the manner set forth above.

12.3 Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the State of Texas, without regard to the conflict of Laws principles thereof.

12.4 Descriptive Headings. The descriptive headings herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

12.5 Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any Person or any circumstance, is invalid or unenforceable: (i) the parties shall negotiate in good faith to create a suitable and equitable provision that shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision, provided that in the event the parties are unable to mutually agree on such a provision, a competent court of jurisdiction may create such a provision; and (ii) the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

12.6 Counterparts. This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties.

12.7 Costs. Except as otherwise expressly set out in this Agreement, each party shall bear its own costs in connection with the negotiation, preparation and implementation of this Agreement.

12.8 Amendment. This Agreement may only be modified, altered or amended in a writing executed by a duly authorized representative of each party.

12.9 Dispute Resolution. The prevailing party in any litigation, arbitration, mediation, controversy, or other form of dispute resolution related to this Agreement and the transactions contemplated hereby shall be entitled to the award of all reasonable attorneys' fees, expert witness fees, costs, and expenses related to the prosecution or defense of any such litigation, arbitration, mediation, controversy, or other form of dispute resolution.

[End of Agreement - Signatures on Following Page]

IN WITNESS WHEREOF, this Agreement has been executed and shall take effect as of the Effective Date.

MEDINA INTERNATIONAL  
HOLDINGS, INC., a California  
corporation

WINTEC PROTECTIVE SYSTEMS,  
INC., a Texas corporation

By: \_\_\_\_\_  
Daniel Medina  
President

By: \_\_\_\_\_  
Robert Doherty  
Chief Executive Officer

**EXHIBIT A**

**Form of Resignation**

I, \_\_\_\_\_, do hereby tender my resignation as a Director of WINTEC PROTECTIVE SYSTEMS, INC., a Texas corporation (the "Corporation"). This resignation shall be effective as of the date this resignation is accepted by the Corporation.  
EXECUTED as of the \_\_\_ day of \_\_\_\_\_, 20\_\_.

Name: \_\_\_\_\_

## **EXHIBIT B**

### **Form of Consent Action**

Pursuant to the provisions of the Texas Business Organizations Code, the undersigned, being all of the shareholders and Directors of WINTEC PROTECTIVE SYSTEMS, INC., a Texas corporation (the "Corporation"), hereby consent to, ratify and approve the following resolutions, and the same shall have the same force and effect as if adopted at a formal meeting duly called and held for the purpose of acting upon a proposal to adopt such resolutions:

#### **Resolutions Approving Redemption and Purchase**

RESOLVED, that the conditions precedent for the closing of the Stock Redemption and Purchase Agreement (the "Redemption and Purchase Agreement") by and between the Corporation and Medina International Holdings, Inc., a California corporation ("MIHI"), have been satisfied or waived by the Corporation and/or MIHI;

RESOLVED, that pursuant to the Redemption and Purchase Agreement, the Corporation shall redeem and liquidate the Redemption Shares (as such term is defined in the Redemption and Purchase Agreement) and receive from MIHI the Options (as such term is defined in the Redemption and Purchase Agreement), as more particularly set forth in the Redemption and Purchase Agreement (the "Redemption and Purchase Transaction");

RESOLVED, that the Directors have determined that the Corporation will not be insolvent after giving effect to the Redemption and Purchase Transaction, and the liquidation, redemption, and purchase will not exceed the surplus of the Corporation;

RESOLVED, that the material facts as to the relationship and interest of MIHI in the sale of the Options, and the material facts as to the Redemption and Purchase Transaction, are known to the shareholders and the Board of Directors, and such purchase of the Options and the Redemption and Purchase Transaction and the Redemption and Purchase Agreement is fair to the Corporation;

RESOLVED, that the closing of the Redemption and Purchase Agreement be and hereby is approved, authorized, ratified and confirmed on behalf of the Corporation, and the appropriate officers of the Corporation are hereby authorized and directed to execute and deliver such documents and instruments on behalf of the Corporation, and to take all necessary actions to implement the Redemption and Purchase Transaction;

RESOLVED, that by their signatures hereto, the shareholders and Directors of the Corporation hereby authorize (a) the redemption of the Redemption Shares and (b) the receipt of the Options, all as contemplated by the Redemption and Purchase Agreement, and the payment the consideration pursuant to such Redemption and Purchase Agreement;

RESOLVED, that the Redemption Shares redeemed by the Corporation be retained by the Corporation and the Redemption Shares not be issued to the remaining shareholders, or new shareholders, without adequate consideration;

RESOLVED, that the stock certificate(s) issued to MIHI be canceled, and a new stock certificate be issued to MIHI, evidencing its remaining ownership of eight million (8,000,000) shares of common stock of the Corporation;

RESOLVED, that the President and Secretary of the Corporation be and hereby are authorized, empowered and directed to issue and deliver a certificate representing such stock to MIHI, and that such shares when so issued and delivered shall be fully paid and non-assessable shares;

### **Resolutions Reducing the Number of Directors**

RESOLVED, that the resignation of \_\_\_\_\_ as Director of the Corporation, effective as of the date of these resolutions, is hereby acknowledged and accepted;

RESOLVED, that the number of Directors constituting the entire Board of Directors of the Corporation shall decrease from seven (7) to six (6) pursuant to Section 3.2 of the Bylaws of the Corporation;

RESOLVED, that the President and Secretary of the Corporation be and hereby are authorized, empowered and directed to issue and deliver certificates representing such stock to Medina and Mankal, and that such shares when so issued and delivered shall be fully paid and non-assessable shares; and

RESOLVED, that the proper officers of the Corporation be and they hereby are authorized and directed to execute, in the name and on behalf of the Corporation and under its corporate seal or otherwise, certificates, applications or other instruments and to take from time to time any and all such actions necessary or desirable to carry out the purpose of the foregoing resolutions.

EXECUTED to be effective as of \_\_\_\_\_, 20\_\_\_\_.

**DIRECTORS:**

-----  
IRA HELD

-----  
ROBERT DOHERTY

-----  
TREY LENTZ

-----  
Name: \_\_\_\_\_

-----  
HUNTER PEYTON

-----  
Name: \_\_\_\_\_

**SHAREHOLDERS:**

MEDINA INTERNATIONAL  
HOLDINGS, INC., a California  
corporation

PLH HOLDINGS, LLC, a Texas limited  
liability company

By: \_\_\_\_\_  
Daniel Medina, President

By: \_\_\_\_\_  
Ira Held, President

**EXHIBIT C**

**Form of Stock Option Award Agreement**

## REVOLVING PROMISSORY NOTE

**\$1,500,000.00 Houston, Texas June 28, 2011**

The undersigned, WINTEC PROTECTIVE SYSTEMS, INC., a Texas corporation, whose address for the purposes of this Note is 14027 Memorial Drive, Suite 241, Houston, Texas 77079-6826 (hereinafter called "Maker"), for value received, without grace, in the manner, on the dates and in the amounts herein stipulated, promises to pay MEDINA INTERNATIONAL HOLDINGS, INC., a California corporation, or any subsequent holder or holders of this Note (hereinafter called "Payee"), at 1802 Pomona Rd., Corona, CA 92880, or at such other place as the holder of this Note may hereafter designate, the sum of One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00), or so much thereof as may be advanced hereunder, in lawful money of the United States of America, at the interest rate herein specified.

The unpaid principal balance from time to time outstanding hereunder shall bear interest from and after the date hereof until maturity at one percent (1.00%) per annum. Interest on this Note shall be computed on the basis of a 365-day (or 366-day, as the case may be) year for the actual number of days elapsed.

Payments on the principal balance of this Note and any accrued but unpaid interest may be made by Maker at such times and in such amounts as Maker may determine, in its sole discretion. Notwithstanding the foregoing, the unpaid principal balance of this Note, and all accrued but unpaid interest thereon, shall be due and payable in full on the four (4) year anniversary of this Note.

All past due principal and interest on this Note shall bear interest from the maturity date thereof until the date of payment at the Maximum Rate. The term "Maximum Rate" shall mean the rate of ten percent (10.00%) per annum.

It is expressly agreed that this Note evidences a revolving line of credit, the maximum principal amount of which line of credit shall not exceed One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00). Accordingly, at all times, the total of all advancements of principal recorded on Schedule A attached hereto, less all payments of principal recorded on such schedule, shall not exceed such amount. It is contemplated that the principal of this Note may be advanced to Maker in a series of advancements to be made from time to time in the sole and absolute discretion of the Maker. The amounts of the advances and payments recorded by Payee on the reverse hereof or on such schedule shall be binding upon Maker as to the amount owed by Maker. This Note may be paid in full from time to time, but shall nevertheless remain in full force and effect to evidence any advances made under such revolving line of credit after any such payment in full.



In the event that the unpaid principal amount hereof at any time, for any reason, exceeds the maximum amount hereinabove specified, Maker covenants and agrees to pay the excess principal amount forthwith upon demand; such excess principal amount shall in all respects be deemed to be included among the loans or advances made pursuant to the other terms of this Note and shall bear interest at the rates hereinabove stated.

Maker reserves the right of prepaying the principal of this Note, in full or in part, at any time without the payment of any prepayment premium or fee. Interest accrued but unpaid with respect to any amount prepaid shall be due and payable on the date of such prepayment. Payee or any other holder hereof may, at its option, apply any regularly scheduled payments or prepayments received by it hereunder to the payment of accrued but unpaid interest and/or principal, in any order, manner or proportion which it deems appropriate.

It is expressly agreed and understood that time is of the essence concerning this Note, and that:

(i) if default shall be made in any payment of principal or interest on this Note or on any other note or notes executed by Maker and held by the holder hereof (whether payable directly to the holder hereof or acquired by the holder hereof from any third party) as the same shall become due and payable;

(ii) if there is a default in any of the terms, covenants, agreements, conditions or provisions set forth in any agreement, instrument or document given to secure this Note or executed in connection with this Note;

(iii) should either Maker or any acceptor, endorser, surety, guarantor, accommodation party or other person now or hereafter primarily or secondarily liable upon or for the payment of all or any part of this Note (each such person being hereinafter referred to as an "other liable party") become insolvent or commit an act of bankruptcy or make an assignment for the benefit of creditors or authorize the filing of a voluntary petition in bankruptcy, or should a receiver of any of the property of Maker or any other liable party be appointed;

(iv) should involuntary bankruptcy proceedings be filed or threatened against Maker or any other liable party;

(v) if a writ or order of attachment or garnishment shall be issued or made against any property of the Maker or any other liable party; or

(vi) if Maker or any other liable party (if not a natural person) shall be dissolved, wound up, liquidated or otherwise terminated, or becomes a party to any merger or consolidation without the written consent of the holder hereof, or if Maker or any other liable party shall sell all or substantially all of its assets or equity without the written consent of the holder hereof;

then in any such event the holder hereof, after providing Maker written notice of such default and five (5) business days to cure or remedy such default, at its option, may declare the entirety of this Note and/or any other note or notes executed by Maker and held by the holder hereof (whether payable directly to the holder hereof or acquired by the holder hereof from any third party), together with all accrued but unpaid interest hereon and/or thereon, immediately due and payable, without any future notice, protest, demand, presentment, notice of intent to accelerate or notice of acceleration, all of which are hereby expressly and specifically waived by Maker and all other liable parties, and failure to exercise said option shall not constitute a waiver on the part of the holder hereof of the right to exercise said option at any other time. In such event, the holder of this Note may, in addition to any other remedies available to it: (i) foreclose all liens securing payment hereof; (ii) pursue any and all other rights, remedies and recourses available to it; or (iii) pursue any combination of the foregoing.

If this Note is not paid at maturity, however such maturity may be brought about, and said Note is placed in the hands of an attorney for collection or if collection by suit or through the probate court, bankruptcy court, or by any other legal or judicial proceeding is sought, Maker agrees to pay all expenses incurred, including reasonable attorneys' fees, all of which shall become a part of the principal hereof.

Maker and each and all other liable parties, expressly and specifically, (i) severally waive grace, presentment and demand for payment, notice of intent to accelerate and notice of acceleration, notice of dishonor, protest and notice of protest, and notice of nonpayment, and any and all other notices, the filing of suit and diligence in collecting this Note, except for any notice and cure opportunities provided in this Note, (ii) severally agree that the holder hereof shall not be required first to institute suit or exhaust its remedies hereon against Maker or other parties liable hereon or to enforce its rights against them in order to enforce payment of this Note by any of them, and (iii) severally agree to any extension or postponement of time of payment of this Note and to any other indulgence with respect hereto without notice thereof to any of them.

The invalidity, or unenforceability in particular circumstances, of any provision of this Note shall not extend beyond such provision or such circumstances and no other provision of this Note shall be affected thereby.

It is the intention of Maker and Payee to conform strictly to applicable usury laws. Accordingly, notwithstanding any provision to the contrary in this Note, the aggregate of all interest and any other charges or consideration constituting interest under applicable usury law that is taken, reserved, contracted for, charged or received under this Note, or otherwise in connection with this loan transaction, shall under no circumstances exceed the maximum amount of interest allowed by the usury law applicable to this loan transaction. If any excess interest charge or consideration in such respect is taken, reserved, contracted for, charged, received or provided for, or shall be adjudicated to be so taken, reserved, contracted for, charged, received or provided for in this, whether by the terms of this Note or because the maturity of the indebtedness evidenced by this Note is accelerated for any reason, or in the event of any required or permitted prepayment, then in any such event (a) the provisions of this paragraph shall govern and control, (b) neither Maker nor Maker's heirs, executors, administrators, legal representatives, successors or assigns or any other liable party shall be obligated to pay the amount of such interest to the extent that it is in excess of the Maximum Rate, (c) any excess shall be deemed a mistake and cancelled automatically and, if theretofore paid, shall be credited on this Note by the holder hereof (or if this Note shall have been paid in full, refunded to Maker) and (d) the effective rate of interest shall be automatically subject to reduction to the Maximum Rate allowed as the usury law may now or hereafter be construed by courts of appropriate jurisdiction. Without limiting the foregoing, all calculations of the rate of interest taken, reserved, contracted for, charged, received or provided for under this Note which are made for the purpose of determining whether the interest rate exceeds the Maximum Rate shall be made, to the extent allowed by law, by amortizing, prorating, allocating and spreading in equal parts during the period of the full stated term of the loan evidenced hereby, all interest at any time taken, reserved, contracted for, charged, received or provided for under this Note.

This Note represents monies advanced or to be advanced by Payee and paid to Maker at its special instance and request.

All payments or prepayments made under this Note shall be made to the holder hereof no later than 12:00 p.m., Central Standard Time, in same day funds. Any payment received by the holder hereof after such time shall be considered for all purposes (including the calculation of interest) as having been made on the next succeeding day that the holder is open for business. If any payment or required prepayment of principal or interest shall become due on a day that is not a day on which the holder hereof is open for business, such payment shall be due on the next succeeding day that the holder hereof is open for business and such extension of time shall be included in computing interest due with respect to such payment. A check, draft, money order, or other instrument given in payment for any payment or prepayment made hereunder may be accepted by the holder hereof and handled for collection in the customary manner, but the same shall not constitute payment hereunder or diminish any rights of such holder except to the extent that actual cash proceeds of such instrument are unconditionally and irrevocably received by the holder.

This Note has been executed and delivered in Houston, Harris County, Texas and Maker and each other liable party irrevocably agrees that any legal proceedings concerning or arising in connection with the indebtedness evidenced by this Note shall be brought in the district courts of Harris County, Texas or the United States District Court for the Southern District of Texas, Houston Division, and each of them jointly and severally waive the right to sue or to be sued elsewhere. This Note shall be governed by and construed in accordance with the laws of the State of Texas (except for Texas Finance Code, Ch. 346, which regulates certain revolving credit loan accounts and revolving tri-party accounts) and the applicable laws of the United States of America. Unless changed in accordance with law, the applicable Maximum Rate under Texas law shall be the indicated (weekly) rate ceiling from time to time in effect as provided in Texas Finance Code ss.303.003, as amended.

Maker represents and warrants to Payee and all other holders of this Note that all loans evidenced by this Note are and will be for business, commercial, investment or other similar purpose and not primarily for personal, family, household or agricultural use, as such terms are used in Chapter One of the Texas Credit Code.

**MAKER:**

**WINTEC PROTECTIVE SYSTEMS, INC.,**  
a Texas corporation

By: \_\_\_\_\_  
Robert Doherty  
Chief Executive Officer

**SCHEDULE A**

**ADVANCES AND PAYMENTS OF PRINCIPAL AND INTEREST**

Date	Amount of Advance	Principal Paid or Prepaid	Amount of Interest paid	Unpaid Principal Balance of Loan	Notation Made By
-----					

**AGREEMENT FOR  
INVESTMENT AND LOAN TERM SHEET**

THIS INVESTMENT AND LOAN TERM SHEET (this "Term Sheet") is entered into by and among MEDINA INTERNATIONAL HOLDINGS, INC., a California corporation ("MIHI") and WINTEC PROTECTIVE SYSTEMS, INC., a Texas corporation ("WinTec").

Formation of WinTec: WinTec is a Texas corporation, capitalized with 40,000,000 shares of common stock, \$0.001 par value per share. The following are the initial shareholders of WinTec, and their respective ownerships:

Shareholder -----	Shares -----	Ownership -----
PLH Holdings, LLC	11,760,000	60.00%
Robert Doherty	3,920,000	20.00%
James Henry	2,940,000	15.00%
Ellis Aronson	980,000	5.00%
-----		
Total:	19,600,000	100.00%

Investment by MIHI: At the Closing (as later defined), and in consideration of the various agreements herein, MIHI shall issue and contribute 3,000,000 shares of common stock of MIHI, \$0.0001 par value per share (the "MIHI Stock"), to WinTec in exchange for the issuance of 20,400,000 shares of common stock of WinTec to MIHI (the "Exchange"), pursuant to an Exchange Agreement. Upon Agreement entered into between WinTec and MIHI (the "Exchange Agreement"). Upon completion of the Exchange, the shareholders of WinTec, and their respective ownerships, shall be as follows:

Shareholder -----	Shares -----	Ownership -----
MIHI	20,400,000	51.00%
PLH Holdings, LLC	11,760,000	29.40%
Robert Doherty	3,920,000	9.80%
James Henry	2,940,000	7.35%
Ellis Aronson	980,000	2.45%
-----		
	40,000,000	100.00%

As part of the Exchange, the shareholders of WinTec shall execute Bylaws, corporate resolutions, and a Buy-Sell Agreement for WinTec (collectively, "WinTec Corporate Documents") that provide, among other things:

(a) The number of directors of WinTec shall be increased to 7. The 19,600,000 shares owned by the initial shareholders of WinTec shall be entitled to appoint 3 directors. The 20,400,000 shares issued to MIHI shall be entitled to appointing 3 directors. The parties agree that the seventy director of WinTec shall be Robert Doherty.

(b) The board of directors of WinTec will take reasonable actions in satisfaction of its intent to convert WinTec to a publicly reporting entity within 24 months of the Exchange.

(c) While the MIHI Loan (as later defined) is outstanding, and until the redemption of the Redeemed stock (as later defined), WinTec shall not sell or transfer any of the patents, trademarks, or other intellectual property of WinTec (collectively, the "WinTec IP") without the prior approval of MIHI.

(d) The board of directors of WinTec intends to move the WinTec laboratory to California at some point in the future.

(e) The shareholders of WinTec shall be subject to standard restrictions on transferring their shares of WinTec, including a restriction that MIHI shall not transfer 12,400,000 shares of WinTec prior to the redemption of the Redeemed stock.

(f) WinTec shall not obtain financing from third parties prior to the redemption of the Redeemed stock, unless MIHI cannot meet the financial requirements of WinTec, including funding advances required under the MIHI Loan.

MIHI Loan: Contemporaneously with the Exchange, MIHI shall loan WinTec up to \$1,500,000.00 (the Redemption and Purchase; At any

time, beginning upon full repayment of the MIHI Loan, WinTec shall be entitled Exclusive License; Right As part of the consideration for making the MIHI Loan, WinTec shall grant MIHI: (a) an Definitive Agreements: The parties will act in good faith to negotiate, complete and enter into a definitive Miscellaneous: This Term Sheet constitutes and contains the entire agreement and understanding between Counterparts: This Term Sheet may be executed in multiple counterparts, each of which shall be [End of Term Sheet; Signatures on Following Page]

Redemption and Purchase; Consulting Stock: At any time, beginning upon full repayment of the MIHI Loan, WinTectshall be entitled to: (a) redeem 12,400,000 shares of common stock of WinTec then-owned by MIHI (the "Redeemed Stock"), and (b) purchase from MIHI options to purchase up

to 3,000,000 shares of common stock of MIHI (the "MIHI Options"), in exchange for a cash payment of \$1,500,000, pursuant to a Redemption and Purchase Agreement entered into by WinTec and MIHI at Closing (the "Redemption and Purchase Agreement"). The cash payment shall be allocated among the redemption of the Redeemed Stock and the purchase of the MIHI Options as set forth in the Redemption and Purchase Agreement. The MIHI Options shall be exercisable by WinTec, at any time, at a strike price of \$0.10 per share.

Contemporaneously with the redemption of the Redeemed Stock, WinTec shall issue 1,533,333 shares of common stock of WinTec to consultants (collectively, the "Consulting Stock"), as compensation for consulting services provided by such individuals to WinTec, and pursuant to a Consulting Agreement entered into by each individual.

The Bylaws of WinTec shall provide that, upon completion of the redemption of the Redemption Stock and the issuance of the Consulting Stock, the total number of directors of WinTec shall be reduced to 6, with the 8,000,000 shares owned by MIHI entitled to appoint 2 directors.

Upon completion of the redemption of the Redeemed Stock and the issuance of the Consulting Stock, the shareholders of WinTec, and their respective ownerships, shall be as follows:

Shareholder -----	Shares -----	Ownership -----
PLH Holdings, LLC	11,760,000	42.61%
MIHI	8,000,000	28.99%
Robert Doherty	3,920,000	14.20%
James Henry	2,940,000	10.65%
Consultant	1,533,333	5.00%
Consultant	1,533,333	5.00%
Ellis Aronson	980,000	3.55%
-----		
Total:	30,666,666	100.00%

Exclusive License: As part of the consideration for making the MIHI Loan,

Right of First Refusal      WinTec shall grant MIHI: (a) an exclusive license to use WinTec's anti-corrosion material for small marine craft, pursuant to a License Agreement entered into between WinTec and MIHI (the "License Agreement"), and (b) the right of first refusal to exclusively license WinTec IP (the "Right of First Refusal"), pursuant to a Right of First Refusal Agreement entered into between WinTec and MIHI (the "ROFR Agreement"). The Right of First Refusal shall be exercisable by MIHI from time to time upon WinTec's presentation of MIHI of a third party's offer to exclusively license part of the WinTec IP, and upon exercise of its Right of first Refusal MIHI shall exclusively license such part of the WinTec IP upon substantially similar terms to such third party offer

Definitive Agreements:      The parties will act in good faith to negotiate, complete and enter into a definitive Exchange Agreement, WinTec Corporate Documents, MIHI Note, Redemption and Purchase Agreement, Consulting Agreements, License Agreement, and ROFR Agreement (collectively, the "Definitive Agreements") and related documents reflecting the terms and conditions hereof as soon as reasonably possible (the "Closing").



The Definitive Agreements will contain the basic terms and conditions set forth herein together with such other representations, warranties, covenants, terms, indemnities and conditions as would be usual and customary for a transactions of this nature and which are mutually agreeable to the parties, including, without limitation, the making of all necessary governmental and third party filings, the obtaining of all necessary governmental and third party approvals or consents required to consummate the proposed transactions, and standard indemnification provisions. There shall be no brokers' or finders' fees or commissions payable by WinTec, MIHI, or any other third party in connection with the completion of the transactions contemplated herein.

Miscellaneous:

This Term Sheet constitutes and contains the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes any prior or contemporaneous oral or written agreements. This Term Sheet shall be binding upon and inure to the benefit of all parties upon full execution. Each party acknowledges and agrees that they have not made any representations, warranties or agreements of any kind regarding the subject matter hereof, except as expressly set forth herein. This Term Sheet may not be modified or amended, except by an instrument in writing signed by duly authorized officers of both of the parties hereto. The language in this Agreement shall be construed as to its fair meaning and not strictly for or against any party. This Term Sheet, and any dispute arising hereunder, shall be governed by Texas law, without giving effect to any choice of law or conflict of law provision. If any provision of this Term Sheet is determined to be invalid in whole or in part of any reason, such unenforceable or invalid provision shall not affect the legality, enforceability or validity of the rest of this Term Sheet. If any provision is stricken in accordance with the previous sentence, then the stricken provisions shall be replaced with a legal, enforceable and valid provision that is as similar in tenor to the stricken provision as is legally possible.

Counterparts:

This Term Sheet may be executed in multiple counterparts, each of which shall be considered an original instrument and all of which, taken together, constitute on and the same agreement. Electronic and facsimile signatures shall be considered originals.

[End of Term Sheet; Signatures on Following Page]

IN WITNESS WHEREOF, the parties have executed this Term Sheet to be effective as of June 28, 2011.

MIHI:

MEDINA INTERNATIONAL  
HOLDINGS, INC., a California  
corporation

By: \_\_\_\_\_  
Daniel Medina  
President

WINTEC:

WINTEC PROTECTIVE SYSTEMS, INC.,  
a Texas corporation

By: \_\_\_\_\_  
Robert Doherty  
Director